

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

9:00 AM

2:00-00000

Chapter

#1.00 ZoomGov Instructions for all matters on today's calendar:

Meeting ID: 161 695 6766

Password: 701399

Meeting URL: <https://cacb.zoomgov.com/j/1616956766>

Telephone: +1 669 254 5252 or +1 646 828 7666 or 833 568 8864 (Toll Free)

Please connect at least 5 minutes before the start of your hearing, and wait with your microphone muted until your matter is called. You do not need to call Chambers for advance approval. ZoomGov appearances are free

Docket 0

Tentative Ruling:

- NONE LISTED -

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

10:00 AM

2:17-16752 JULIE CHAVEZ

Chapter 13

#1.00 Hrg re: Motion for relief from stay [RP]

WELLS FARGO BANK, N.A.
vs
DEBTOR

Docket 51

Tentative Ruling:

Appearances are not required.

Grant as set forth below.

Proposed order: Movant is directed to lodge a proposed order via LOU within 7 days after the hearing date. See LBR 9021-1(b)(1)(B).

Termination

Terminate the automatic stay under 11 U.S.C. 362(d)(1).

To the extent, if any, that the motion seeks to terminate the automatic stay in *other* past or pending bankruptcy cases, such relief is denied on the present record. See *In re Ervin* (Case No. 14-bk-18204-NB, docket no. 311).

Effective date of relief

Deny the request to waive the 14-day stay provided by FRBP 4001(a)(3) for lack of sufficient cause shown.

Co-debtor stay

Any co-debtor stay (11 U.S.C. 1301(c)) has not been shown to have any basis for any different treatment from the stay under 11 U.S.C. 362(a), so the tentative ruling is to grant the identical relief regarding any co-debtor stay.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances

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CONT... JULIE CHAVEZ

Chapter 13

are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

JULIE CHAVEZ

Represented By
Kourosh M Pourmorady

Movant(s):

Wells Fargo Bank, N.A.

Represented By
Sean C Ferry
Theron S Covey
Eric P Enciso

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
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Tuesday, May 4, 2021

Hearing Room 1545

10:00 AM

2:17-20626 Bernice Roberts Taylor

Chapter 13

#2.00 Hrg re: Motion for relief from stay [RP]

CHAMPION MORTGAGE COMPANY
vs
DEBTOR

Docket 43

***** VACATED *** REASON: APO**

Tentative Ruling:

Party Information

Debtor(s):

Bernice Roberts Taylor

Represented By
Thomas B Ure

Movant(s):

Champion Mortgage Company

Represented By
S Renee Sawyer Blume
Bonni S Mantovani
Alexander G Meissner

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

10:00 AM

2:20-19956 Arturo Zurita

Chapter 7

#3.00 Hrg re: Motion for relief from stay [RP]

WILMINGTON SAVINGS FUND SOCIETY, FSB
vs
DEBTOR

Docket 58

Tentative Ruling:

Appearances are not required.

Grant as set forth below.

Proposed order: Movant is directed to lodge a proposed order via LOU within 7 days after the hearing date. See LBR 9021-1(b)(1)(B).

Termination

Terminate the automatic stay under 11 U.S.C. 362(d)(1) and (d)(2).

To the extent, if any, that the motion seeks to terminate the automatic stay in *other* past or pending bankruptcy cases, such relief is denied on the present record. See *In re Ervin* (Case No. 14-bk-18204-NB, docket no. 311).

Effective date of relief

Deny the request to waive the 14-day stay provided by FRBP 4001(a)(3) for lack of sufficient cause shown.

Co-debtor stay

Any co-debtor stay (11 U.S.C. 1301(c)) has not been shown to have any basis for any different treatment from the stay under 11 U.S.C. 362(a), so the tentative ruling is to grant the identical relief regarding any co-debtor stay.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances

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CONT... Arturo Zurita

Chapter 7

are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Arturo Zurita

Represented By
Matthew D. Resnik

Movant(s):

Wilmington Savings Fund Society,

Represented By
Sean C Ferry

Trustee(s):

Sam S Leslie (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, May 4, 2021

Hearing Room 1545

10:00 AM

2:19-19759 Thomas Lewis Calvet

Chapter 13

#4.00 Hrg re: Motion for relief from stay [PP]

CAPITAL LNE AUTO FINANCE
vs
DEBTOR

Docket 41

Tentative Ruling:

Appearances are not required.

Grant as set forth below.

Proposed order: Movant is directed to lodge a proposed order via LOU within 7 days after the hearing date. See LBR 9021-1(b)(1)(B).

Termination

Terminate the automatic stay under 11 U.S.C. 362(d)(1).

To the extent, if any, that the motion seeks to terminate the automatic stay in *other* past or pending bankruptcy cases, such relief is denied on the present record. See *In re Ervin* (Case No. 14-bk-18204-NB, docket no. 311).

Effective date of relief

Grant the request to waive the 14-day stay provided by FRBP 4001(a)(3).

Co-debtor stay

Any co-debtor stay (11 U.S.C. 1301(c)) has not been shown to have any basis for any different treatment from the stay under 11 U.S.C. 362(a), so the tentative ruling is to grant the identical relief regarding any co-debtor stay.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter

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CONT... Thomas Lewis Calvet Chapter 13

by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Thomas Lewis Calvet

Represented By
Julie J Villalobos

Movant(s):

Capital One Auto Finance, a division

Represented By
Marjorie M Johnson

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
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Tuesday, May 4, 2021

Hearing Room 1545

10:00 AM

2:21-11852 Britney Tahira Somadhi

Chapter 13

#5.00 Hrg re: Motion for relief from stay [RP]

REAL TIME RESOLUTIONS INC.
vs
DEBTOR

Docket 20

***** VACATED *** REASON: This matter is scheduled to be heard on
05/11/21 at 10:00 a.m.**

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Britney Tahira Somadhi

Represented By
Sarah E Shapero

Movant(s):

REAL TIME RESOLUTIONS, INC.

Represented By
Renee M Parker

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
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Tuesday, May 4, 2021

Hearing Room 1545

10:00 AM

2:21-11103 Tremain L Ellis

Chapter 7

#6.00 Hrg re: Motion for relief from stay [PP]

EXETER FINANCE,LLC.
vs
DEBTOR

Docket 11

Tentative Ruling:

Appearances required.

There is no tentative ruling, but the parties should be prepared to address (a) whether the alleged arrears have been brought current and/or (b) whether they will agree to the terms of an adequate protection order (see the debtor's response, dkt. 13).

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Tremain L Ellis

Pro Se

Movant(s):

Exeter Finance LLC

Represented By

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Central District of California
Los Angeles
Judge Neil Bason, Presiding
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Tuesday, May 4, 2021

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10:00 AM

CONT... Tremaine L Ellis

Chapter 7

Sheryl K Ith

Trustee(s):

Brad D Krasnoff (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

10:00 AM

2:21-12790 Benito Javier Lopez

Chapter 13

#7.00 Hrg re: Motion in Individual Case for Order
Imposing a Stay or Continuing the Automatic
Stay as the Court Deems Appropriate

Docket 5

Tentative Ruling:

Grant, subject to the following conditions. Appearances are not required.

After the hearing date this Court will prepare an order and the tentative ruling is to include the following language in that order:

The stay of 11 U.S.C. 362(a) applies subject to the following modifications and conditions:

(1) Service and reconsideration. Any party in interest who was not timely served in accordance with FRBP 7004 (incorporated by FRBP 9014(b)) is hereby granted through 14 days after proper service to seek reconsideration, including retroactive relief (under FRBP 9023 and/or 9024). Any such person (a) may set a hearing on 14 days' notice, (b) may appear by telephone (if arrangements are made per Judge Bason's posted procedures), and (c) may present all arguments orally at the hearing (*i.e.*, no written argument is required). If written arguments appear necessary then this court will set a briefing schedule at the hearing.

(2) Reasons. (a) It appears appropriate to impose the automatic stay, and to impose it as to all persons rather than just as to selected persons, because one purpose of the automatic stay is to preventing a "race to collect" that could unfairly advantage some creditors at the expense of others. (b) To prevent possible abuse, this Court provides the foregoing simple process for reconsideration.

(3) Very limited ruling. This Court's tentative ruling to grant the foregoing relief is solely for purposes of this motion, and is not intended to have any binding effect with respect to any future assertions by any party in interest regarding the existence or lack of existence of good faith in any other context.

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CONT... Benito Javier Lopez

Chapter 13

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Benito Javier Lopez

Represented By
Jaime A Cuevas Jr.

Movant(s):

Benito Javier Lopez

Represented By
Jaime A Cuevas Jr.
Jaime A Cuevas Jr.
Jaime A Cuevas Jr.
Jaime A Cuevas Jr.

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

10:00 AM

2:21-12976 Martha Espino

Chapter 13

#8.00 Hrg re: Motion in Individual Case for Order
Imposing a Stay or Continuing the Automatic
Stay as the Court Deems Appropriate

Docket 8

Tentative Ruling:

Grant, subject to the following conditions, and also subject to any opposition at the hearing. Appearances required.

This Court presumes that counsel for Debtor will not seek to charge Debtor or the estate any fees for appearing at this hearing because such appearance would have been unnecessary if the correct procedures had been followed (if counsel intends to do otherwise, that must be raised and argued at the hearing). If that presumption is incorrect, counsel is directed to notify this Court at the hearing.

Analysis: The motion papers were served on 4/20/21 (dkt. 8) (with an amended notice on 4/23/21, dkt. 15), which is 14 days prior to this hearing. That is permissible, under the Posted Procedures of Judge Bason ("Procedures") (available at www.cacb.uscourts.gov), but the motion papers must give notice that oppositions are due 5 days before the hearing. Debtor's motion papers (dkt. 8) confusingly checked boxes stating that (a) the motion was being heard on regular notice with oppositions due 14 days before the hearing (*id.*, p.2, para. "(3)(a)") (*i.e.*, the same day the motion papers were initially served), and (b) also on shortened notice without providing any deadline for filing oppositions (*id.*, p.2, para. "(3)(b)"). Debtor's amended notice (dkt. 15) does not clarify the appropriate deadline for filing oppositions.

Because of the confusion about when oppositions are due, the tentative ruling is to require appearances and permit oppositions to be made orally at the hearing.

After the hearing date this Court will prepare an order and the tentative ruling is to include the following language in that order:

The stay of 11 U.S.C. 362(a) applies subject to the following

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CONT...

Martha Espino

Chapter 13

modifications and conditions:

(1) Service and reconsideration. Any party in interest who was not timely served in accordance with FRBP 7004 (incorporated by FRBP 9014(b)) is hereby granted through 14 days after proper service to seek reconsideration, including retroactive relief (under FRBP 9023 and/or 9024). Any such person (a) may set a hearing on 14 days' notice, (b) may appear by telephone (if arrangements are made per Judge Bason's posted procedures), and (c) may present all arguments orally at the hearing (*i.e.*, no written argument is required). If written arguments appear necessary then this court will set a briefing schedule at the hearing.

(2) Reasons. (a) It appears appropriate to impose the automatic stay, and to impose it as to all persons rather than just as to selected persons, because one purpose of the automatic stay is to preventing a "race to collect" that could unfairly advantage some creditors at the expense of others. (b) To prevent possible abuse, this Court provides the foregoing simple process for reconsideration.

(3) Very limited ruling. This Court's tentative ruling to grant the foregoing relief is solely for purposes of this motion, and is not intended to have any binding effect with respect to any future assertions by any party in interest regarding the existence or lack of existence of good faith in any other context.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

**United States Bankruptcy Court
Central District of California
Los Angeles
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10:00 AM

CONT... Martha Espino

Chapter 13

Debtor(s):

Martha Espino

Represented By
Michael Jay Berger

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

10:00 AM

2:16-20970 Estelle Marie Harnage

Chapter 13

#9.00 Cont'd hrg re: Motion for relief from stay [PP]
fr. 3/23/21

NISSAN MOTOR ACCEPTANCE CORP
vs
DEBTOR

Docket 53

Tentative Ruling:

Tentative Ruling for 5/4/21:
Appearances required.

Based on the arguments and representations by the parties at the hearing on 3/23/21 this Court was persuaded to continue this hearing on the condition that Debtor make a \$1,500 payment by 4/1/21 and another \$408.41 payment by 5/3/21 in an effort to cure outstanding arrears. There is no tentative ruling but the parties should be prepared to update this Court on whether Debtor timely made those payments and whether they will agree to an adequate protection stipulation.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 3/23/21:

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

10:00 AM

CONT... **Estelle Marie Harnage**
Appearances are not required.

Chapter 13

Grant as set forth below.

Proposed order: Movant is directed to lodge a proposed order via LOU within 7 days after the hearing date. See LBR 9021-1(b)(1)(B).

Termination

Terminate the automatic stay under 11 U.S.C. 362(d)(1).

To the extent, if any, that the motion seeks to terminate the automatic stay in *other* past or pending bankruptcy cases, such relief is denied on the present record. See *In re Ervin* (Case No. 14-bk-18204-NB, docket no. 311).

Effective date of relief

Grant the request to waive the 14-day stay provided by FRBP 4001(a)(3).

Co-debtor stay

Any co-debtor stay (11 U.S.C. 1301(c)) has not been shown to have any basis for any different treatment from the stay under 11 U.S.C. 362(a), so the tentative ruling is to grant the identical relief regarding any co-debtor stay.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

**United States Bankruptcy Court
Central District of California
Los Angeles
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10:00 AM

CONT... Estelle Marie Harnage

Chapter 13

Debtor(s):

Estelle Marie Harnage

Pro Se

Movant(s):

Nissan Motor Acceptance

Represented By
Kirsten Martinez

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
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Tuesday, May 4, 2021

Hearing Room 1545

10:00 AM

2:17-17236 Regina Sanders

Chapter 13

#10.00 Cont'd hrg re: Motion for relief from stay [RP]
fr. 4/6/21

U.S. BANK NATIONAL ASSOC
vs
DEBTOR

Docket 82

Tentative Ruling:

Tentative Ruling for 5/4/21:
Appearances required.

Based on the arguments and representations of Movant at the hearing on 4/6/21 this Court continued this matter to this date to allow time for the parties to negotiate an adequate protection stipulation. There is no tentative ruling. The parties should be prepared to provide an update on the status of those negotiations, if any.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 4/6/21:
Appearances are not required.

**United States Bankruptcy Court
Central District of California
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Tuesday, May 4, 2021

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10:00 AM

CONT... Regina Sanders
Grant as set forth below.

Chapter 13

Proposed order: Movant is directed to lodge a proposed order via LOU within 7 days after the hearing date. See LBR 9021-1(b)(1)(B).

Termination

Terminate the automatic stay under 11 U.S.C. 362(d)(1).

To the extent, if any, that the motion seeks to terminate the automatic stay in *other* past or pending bankruptcy cases, such relief is denied on the present record. See *In re Ervin* (Case No. 14-bk-18204-NB, docket no. 311).

Effective date of relief

Deny the request to waive the 14-day stay provided by FRBP 4001(a)(3) for lack of sufficient cause shown.

Co-debtor stay

Any co-debtor stay (11 U.S.C. 1301(c)) has not been shown to have any basis for any different treatment from the stay under 11 U.S.C. 362(a), so the tentative ruling is to grant the identical relief regarding any co-debtor stay.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Regina Sanders

Represented By
Thomas B Ure

**United States Bankruptcy Court
Central District of California
Los Angeles
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10:00 AM

CONT... Regina Sanders

Chapter 13

Movant(s):

U.S. BANK NATIONAL

Represented By
Sean C Ferry
Eric P Enciso

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
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10:00 AM

2:20-15698 Gerald Edward Young

Chapter 13

#11.00 Cont'd hrg re: Motion for relief from stay [RP]
fr. 4/6/21

HIGHLAND HACIENDAS HOMEOWNERS
ASSOCIATION
vs
DEBTOR

Docket 69

Tentative Ruling:

Tentative Ruling for 5/4/21:
Appearances required.

Based on the arguments and representations of the parties at the hearing on 4/6/21 this Court continued this matter to allow time for the parties to review their records and negotiate the terms of an adequate protection stipulation. There is no tentative ruling. The parties should be prepared to provide an update on the status of those negotiations.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 4/6/21:
Appearances required.

**United States Bankruptcy Court
Central District of California
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Judge Neil Bason, Presiding
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10:00 AM

CONT... Gerald Edward Young

Chapter 13

There is no tentative ruling, but the parties should be prepared to address (a) whether the alleged arrears have been brought current and/or (b) whether they will agree to the terms of an adequate protection order (see the debtor's response, dkt. 71).

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Gerald Edward Young

Represented By
Erika Luna

Movant(s):

Highland Haciendas Homeowners

Represented By
Reilly D Wilkinson

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

10:00 AM

2:20-15990 Adrian T Bean

Chapter 13

#12.00 Cont'd hrg re: Motion for relief from stay [RP]
fr. 1/5/21, 3/2/21, 4/6/21

MILL CITY MORTGAGE LOAN TRUST 2018-4
vs
DEBTOR

Docket 34

Tentative Ruling:

Tentative Ruling for 5/4/21:

Appearances required.

Based on the arguments and representations of the parties at the hearing on 4/6/21, this Court continued the matter to this date to allow time for the parties to continued negotiating the terms of an adequate protection stipulation. There is no tentative ruling. The parties should be prepared to provide an update on the status of those negotiations.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 4/6/21:

Appearances required.

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Hearing Room 1545

10:00 AM

CONT... Adrian T Bean

Chapter 13

Based on the arguments and representations of the parties at the hearing on 3/2/21, this Court continued the matter to this date to allow time for the parties to negotiate the terms of an adequate protection stipulation. There is no tentative ruling. The parties should be prepared to provide an update on the status of any negotiations.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 3/2/21:
Appearances required.

Based on the arguments and representations of the parties at the hearing on 1/5/21, this Court continued the matter to this date to allow time for the parties to negotiate the terms of an adequate protection stipulation. There is no tentative ruling. The parties should be prepared to provide an update on the status of any negotiations.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov

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10:00 AM

CONT... Adrian T Bean

Chapter 13

instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 1/5/21:
Appearances required.

There is no tentative ruling, but the parties should be prepared to address (a) whether the alleged arrears have been brought current and/or (b) whether they will agree to the terms of an adequate protection order (see the debtor's response, dkt. 44).

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Adrian T Bean

Represented By
Christopher J Langley

Movant(s):

Mill City Mortgage Loan Trust 2018

Represented By
Sean C Ferry
Kristin A Zilberstein

**United States Bankruptcy Court
Central District of California
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10:00 AM

CONT... Adrian T Bean

Chapter 13

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

2:20-20550 Andrew Ming Zhou

Chapter 7

#1.00 Hrg re: Motion to Dismiss Debtor

Docket 35

Tentative Ruling:

Appearances are not required.

Grant.

Proposed order: Movant is directed to lodge a proposed order via LOU within 7 days after the hearing date. See LBR 9021-1(b)(1)(B).

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Andrew Ming Zhou

Represented By
Jeffrey J Hagen

Trustee(s):

Elissa Miller (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

2:19-14137 Zeta Graff

Chapter 7

Adv#: 2:20-01677 Leslie v. Graff

#2.00 Hrg re: Motion to Intervene in Adversary Proceeding

Docket 12

Tentative Ruling:

Please see the tentative ruling for the Status Conference (Calendar No. 3, 5/4/21 at 11:00 a.m.).

Party Information

Debtor(s):

Zeta Graff

Represented By
Damion Robinson

Defendant(s):

Zeta Graff

Represented By
Damion Robinson

Plaintiff(s):

Sam S. Leslie

Represented By
Elissa Miller
Asa S Hami

Trustee(s):

Sam S Leslie (TR)

Represented By
Elissa Miller

**United States Bankruptcy Court
Central District of California
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Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

2:19-14137 Zeta Graff

Chapter 7

Adv#: 2:20-01677 Leslie v. Graff

#2.10 Cont'd Status Conference re: Complaint to Deny / Revoke Debtor's Discharge Pursuant to 11 U.S.C. 727(a)(6) and (d)(3) fr. 2/9/21, 4/27/21

Docket 1

Tentative Ruling:

Tentative Ruling for 5/4/21:

Grant in relevant part the motion to intervene, and continue the status conference, as set forth below. Appearances are not required on 5/4/21.

(A) Current issues

(1) Motion of the United States Trustee ("UST") to intervene (adv. dkt. 12), Debtor/Defendant's Opposition (adv. dkt. 15), UST's Response (adv. dkt. 16)

The tentative ruling is to allow the UST to intervene as a co-plaintiff, but not technically "substitute" for the Chapter 7 Trustee as a plaintiff. As a practical matter, there may be no difference because the foregoing tentative ruling is subject to whatever rights the Chapter 7 Trustee has to withdraw or otherwise turn over prosecution of this matter to the UST.

The reasons are that, although Debtor is correct that as a technical matter none of the grounds for substitution are present under Rule 25 (Fed. R. Civ. P., incorporated by Fed. R. Bankr. P. 7025), nevertheless the UST satisfies the grounds for intervention under Rule 24 (Fed. R. Civ. P., incorporated by Fed. R. Bankr. P. 7024). Specifically, there are

- (1) independent grounds for jurisdiction [as the UST argues persuasively, the Bankruptcy Code provides that he can be heard on any matter, and claims under 11 U.S.C. 727 arise under the Bankruptcy Code, thus establishing jurisdiction under 28 U.S.C. §§ 157(b)(1) and 1334, so there is both personal and subject matter jurisdiction];
- (2) the motion is timely [the UST argues persuasively that no discovery deadlines have passed in this adversary proceeding, and there is no cognizable prejudice from the timing]; and

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CONT...

Zeta Graff

Chapter 7

(3) the applicant's claim or defense, and the main action, have a question of law or a question of fact in common [- the UST seeks to prosecute the identical claim, so this factor is satisfied].
[*Northwest Forest Res. Council v. Glickman*, 82 F.3d 825, 839 (9th Cir. 1996) (citing *Greene v. United States*, 996 F.2d 973, 978 (9th Cir. 1993) (paragraph breaks added)].

In addition, it would be inappropriate for Defendant/Debtor to escape the possible consequences of her acts and omissions - the potential denial of her discharge - because those same acts and omissions may have deprived the Chapter 7 Trustee of sufficient funds to be able to prosecute this action, or alternatively because the bankruptcy estate never had enough funds for such prosecution. These are exactly the sort of circumstances in which someone else should be permitted to intervene, as recognized by the drafters of the Rules when they provided for notice and an opportunity to object to any dismissal of an action under 11 U.S.C. 727. See Rule 7041 (Fed. R. Bankr. P.).

None of the foregoing should be interpreted as expressing any view of the merits of the action. All rights are reserved, including all defenses that Defendant/Debtor may have.

Proposed order: Movant is directed to lodge a proposed order via LOU within 7 days after the hearing date, and attach a copy of this tentative ruling, thereby incorporating it as this Court's final ruling, subject to any changes ordered at the hearing. See LBR 9021-1(b)(1)(B).

(B) Standard requirements

The following are Judge Bason's standard requirements for status conferences. (To the extent that the parties have already addressed these issues in their status report, they need not repeat their positions at the status conference.)

(1) Venue/jurisdiction/authority

Matters of venue, jurisdiction, and authority have been determined and/or waived or forfeited at the hearing(s) on 2/9/21.

(2) Mediation

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CONT...

Zeta Graff

[Intentionally omitted]

Chapter 7

(3) Deadlines

This adversary proceeding has been pending since 12/7/20. The deadlines have been memorialized in this Court's prior scheduling orders (dkt. 10, 18), except for the following, which need no written order.

Joint Status Report: No written status report required.

Continued status conference: 7/20/21 at 11:00 a.m.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 4/27/21:

Continue as set forth below. Appearances are not required on 4/27/21.

(A) Current issues

This Court has reviewed the parties' joint status report (adv.dkt. 14) and the other filed documents and records in this adversary proceeding.

(1) United States Trustee's Motion to Intervene (adv. dkt. 12).

The parties' joint status report requests that this status conference be continued, to be held contemporaneously with the hearing on the United States Trustee's Motion to Intervene. Adv. dkt. 14, p. 4. The tentative ruling is to grant the request to continue the status conference to the date and time set forth below.

(B) Standard requirements

The following are Judge Bason's standard requirements for status

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CONT...

Zeta Graff

Chapter 7

conferences. (To the extent that the parties have already addressed these issues in their status report, they need not repeat their positions at the status conference.)

(1) Venue/jurisdiction/authority

Matters of venue, jurisdiction, and authority have been determined and/or waived or forfeited at the hearing(s) on 2/9/21.

(2) Mediation

[Intentionally omitted]

(3) Deadlines

This adversary proceeding has been pending since 12/7/20. Pursuant to LBR 9021-1(b)(1)(B), plaintiff is directed to lodge a proposed order via LOU within 7 days after the status conference, attaching a copy of this tentative ruling or otherwise memorializing the following.

Joinder of parties/amendment of pleadings-deadline: 5/24/21

Discovery cutoff (for completion of discovery): 7/1/21.

Expert(s) - deadline for reports: N/A

Expert(s) - discovery cutoff (if different from above): N/A

Dispositive motions to be heard no later than: 8/3/21

Joint Status Report: **No written status report required.**

Continued status conference: **5/4/21 at 11:00 a.m.**

Lodge Joint Proposed Pre-Trial Order: 8/24/21

Pretrial conference: 9/7/21 at 2:00 p.m.

Deliver trial exhibits to other parties and chambers, including direct testimony by declaration unless excused: 9/13/21 (for the format of exhibits and other trial procedures, please see the Procedures of Judge Bason (posted at www.cacb.uscourts.gov) then search for "Trial Practice" BUT, at least during the COVID-19 shut down of the courtroom, also see the forms of order regarding video trials, posted on Judge Bason's portion of the Court's above-referenced web page)

Trial commencement: 9/16/21 at 9:00 a.m.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at

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Los Angeles
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CONT... Zeta Graff

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www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 2/9/21:
Appearances required.

(A) Current issues

This Court has reviewed the parties' joint status report (adv.dkt. 8) and the other filed documents and records in this adversary proceeding.

(1) Sale or Refinance of Defendant/Debtor's Home

In the parties' joint status report, Defendant/Debtor contends that this proceeding should be postponed because it is likely to become moot when either the Plaintiff/Trustee sells her home or she refinances her home. Adv. dkt. 8, p. 4. There is no tentative ruling, but the parties should be prepared to discuss when they expect the sale or refinancing will be finalized.

(B) Standard requirements

The following are Judge Bason's standard requirements for status conferences. (To the extent that the parties have already addressed these issues in their status report, they need not repeat their positions at the status conference.)

(1) Venue/jurisdiction/authority

The parties are directed to address any outstanding matters of (a) venue, (b) jurisdiction, (c) this Bankruptcy Court's authority to enter final orders or judgment(s) in this proceeding and, if consent is required, whether the parties do consent, or have already expressly or impliedly consented. See generally *Stern v. Marshall*, 131 S.Ct. 2594, 2608 (2011) (if litigant "believed that the Bankruptcy Court lacked the authority to decide his claim...then he should have said so – and said so promptly."); *Wellness Int'l*

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Zeta Graff

Chapter 7

Network, Ltd. v. Sharif, 135 S.Ct. 1932 (2015) (consent must be knowing and voluntary but need not be express); *In re Bellingham Ins. Agency, Inc.*, 702 F.3d 553 (9th Cir. 2012) (implied consent), *aff'd on other grounds*, 134 S. Ct. 2165 (2014); *In re Pringle*, 495 B.R. 447 (9th Cir. BAP 2013) (rebuttable presumption that failure to challenge authority to issue final order is intentional and indicates consent); *In re Deitz*, 760 F.3d 1028 (9th Cir. 2014) (authority to adjudicate nondischargeability encompasses authority to liquidate debt and enter final judgment). *See generally In re AWTR Liquidation, Inc.*, 548 B.R. 300 (Bankr. C.D. Cal. 2016).

(2) Mediation

[Intentionally omitted.]

(3) Deadlines

This adversary proceeding has been pending since 12/7/20. Pursuant to LBR 9021-1(b)(1)(B), plaintiff is directed to lodge a proposed order via LOU within 7 days after the status conference, attaching a copy of this tentative ruling or otherwise memorializing the following.

Joinder of parties/amendment of pleadings-deadline: 5/24/21

Discovery cutoff (for *completion* of discovery): 7/1/21.

Expert(s) - deadline for reports: N/A

Expert(s) - discovery cutoff (if different from above): N/A

Dispositive motions to be heard no later than: 8/3/21

Joint Status Report: **4/13/21**.

Continued status conference: **4/27/21 at 11:00 a.m.**

Lodge Joint Proposed Pre-Trial Order: 8/24/21

Pretrial conference: 9/7/21 at 2:00 p.m.

Deliver trial exhibits to other parties and chambers, including direct testimony by declaration unless excused: 9/13/21 (for the format of exhibits and other trial procedures, please see the Procedures of Judge Bason (posted at www.cacb.uscourts.gov) then search for "Trial Practice" BUT, at least during the COVID-19 shut down of the courtroom, also see the forms of order regarding video trials, posted on Judge Bason's portion of the Court's above-referenced web page)

Trial commencement: 9/16/21 at 9:00 a.m.

If appearances are not required at the start of this tentative ruling but you

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CONT... Zeta Graff

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wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Zeta Graff

Represented By
Damion Robinson

Defendant(s):

Zeta Graff

Pro Se

Plaintiff(s):

Sam S. Leslie

Represented By
Elissa Miller

Trustee(s):

Sam S Leslie (TR)

Represented By
Elissa Miller

**United States Bankruptcy Court
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Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

2:19-20396 Irene H Kim

Chapter 7

Adv#: 2:20-01303 Yoo v. Kim et al

#3.00 Cont'd Status Conference re: Complaint for: (1) Avoidance of Voidable Transfers; (2) Recovery of Avoided Transfers; and (3) Turnover of Property [11 U.S.C. Section 542, 54, 548 and 550] fr.11/3/20, 12/1/20

Docket 1

Tentative Ruling:

Tentative Ruling for 5/4/21:

Appearances required.

(A) Current issues

This Court has reviewed the parties' joint status report (adv. dkt. 40) and the other filed documents and records in this adversary proceeding. This Court has also reviewed Debtor's motion for conversion back to chapter 13 (dkt. 66).

(1) Conversion to chapter 13 and/or dismissal of Defendant/Debtor

Plaintiff states that he proposed to dismiss Defendant/Debtor from this action but received no response. Adv. Dkt. 40, p. 3, para. "(E)". Meanwhile, Defendant/Debtor seeks to convert her case back to chapter 13 (*Id.* p.4, para. "(G)"), and states that is "willing to include any costs and legal fees incurred in this Adversary Proceeding by the Chapter 7 Trustee." *Id.* On 4/26/21 Debtor filed such a motion (2:19-bk-20396-NB, dkt. 66).

The tentative ruling is to continue this adversary proceeding status conference as set forth below, to see if the motion to reconvert is granted. But before adopting any such tentative ruling, this Court needs answers to the following issues.

First, does Debtor's statement that she is willing to "include" the Chapter 7 Trustee's costs and legal fees incurred "in this Adversary Proceeding" mean that she proposes to pay immediately and in full all of the Chapter 7 Trustee's allowed administrative expenses, including not just the fees and costs of this adversary proceeding but also, for example, the Trustee's own compensation under 11 U.S.C. 326?

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CONT...

Irene H Kim

Chapter 7

Second, how will Debtor fund that proposed payment?

(2) The deadline to complete discovery has passed

Defendant/Debtor states that she anticipates propounding discovery on Plaintiff/Trustee and completing discovery by 6/1/21. Adv. Dkt. 40, p.2. But this Court's prior scheduling order (adv. dkt. 23, para. "(3)(f)") set 3/5/21 as the "last day for discovery to be completed, including receiving responses to discovery requests," (other than expert discovery) and Defendant/Debtor has not filed any motion for reconsideration of that deadline. The tentative ruling is that the Status Report cannot be treated as such a motion.

(B) Standard requirements

The following are Judge Bason's standard requirements for status conferences. (To the extent that the parties have already addressed these issues in their status report, they need not repeat their positions at the status conference.)

(1) Venue/jurisdiction/authority

The parties have stated their positions (see adv. dkt. 13, p.4, para. F) and, to the extent necessary, this Court has not yet ruled on these issues.

(2) Mediation: The tentative ruling is not to order any mediation at this time.

(3) Deadlines

This adversary proceeding has been pending since 8/27/20.
[The deadlines have been memorialized in this Court's scheduling order (adv. dkt. 23), except for the following, which need no written order.]

Joint Status Report: 5/18/21

Continued status conference: 6/1/21 at 11:00 a.m.

Lodge Joint Proposed Pre-Trial Order: TBD

Pretrial conference: TBD

Deliver trial exhibits to other parties and chambers, including direct testimony by declaration unless excused: TBD

Trial commencement: TBD

If appearances are not required at the start of this tentative ruling but you

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CONT... Irene H Kim

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wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 12/1/20:
Appearances required.

Current issues

(a) Plaintiff/Trustee's motion for default judgment against Defendants Hyong Chan Kim ("H. Kim") and Sunhee Kim ("S. Kim") (adv. dkt. 14, 15, 16), no opposition is on file

The tentative ruling is to grant the motion and enter default judgment against H. Kim and S. Kim on the 1st, 4th, and 7th through 10th (mis-labeled 9th) claims for relief in the Complaint. See Adv. Dkt. 1.

(b) Untimely status report

The last two joint status reports have been filed late without explanation or acknowledgment of their untimeliness (see adv. dkt. 28 (8 days late) & adv. dkt. 19 (2 days late)). Counsel for both parties are cautioned that their continued failure to timely comply with this Court's deadlines may result in adverse consequences.

(A) Standard requirements

The following are Judge Bason's standard requirements for status conferences. (To the extent that the parties have already addressed these issues in their status report, they need not repeat their positions at the status conference.)

(1) Venue/jurisdiction/authority

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CONT...

Irene H Kim

Chapter 7

The parties have stated their positions (see adv. dkt. 13, p.4, para. F) and, to the extent necessary, this Court has not yet ruled on these issues.

(2) Mediation: [Intentionally omitted]

(3) Deadlines

This adversary proceeding has been pending since 8/27/20. The following dates and deadlines apply pursuant to this Court's scheduling order (adv. dkt. 19):

Joinder of parties/amendment of pleadings: 1/22/21 deadline.

Discovery cutoff (for *completion* of discovery): 3/5/21

Expert(s) - deadline for reports: 3/21/21

Expert(s) - discovery cutoff (if different from above): 3/26/21

Dispositive motions to be heard no later than: 5/4/21

Joint Status Report: 4/20/21

Continued status conference: 5/4/21 at 11:00 a.m.

Lodge Joint Proposed Pre-Trial Order: TBD

Pretrial conference: TBD

Deliver trial exhibits to other parties and chambers, including direct testimony by declaration unless excused: TBD

Trial commencement: TBD

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 11/3/20:
Appearances required.

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

CONT... Irene H Kim

Chapter 7

This Court has reviewed the parties' joint status report (adv.dkt. 13) and the other filed documents and records in this adversary proceeding.

(A) Standard requirements

The following are Judge Bason's standard requirements for status conferences. (To the extent that the parties have already addressed these issues in their status report, they need not repeat their positions at the status conference.)

(1) Venue/jurisdiction/authority

The parties are directed to address any outstanding matters of (a) venue, (b) jurisdiction, (c) this Bankruptcy Court's authority to enter final orders or judgment(s) in this proceeding and, if consent is required, whether the parties do consent, or have already expressly or impliedly consented. *See generally Stern v. Marshall*, 131 S.Ct. 2594, 2608 (2011) (if litigant "believed that the Bankruptcy Court lacked the authority to decide his claim...then he should have said so – and said so promptly."); *Wellness Int'l Network, Ltd. v. Sharif*, 135 S.Ct. 1932 (2015) (consent must be knowing and voluntary but need not be express); *In re Bellingham Ins. Agency, Inc.*, 702 F.3d 553 (9th Cir. 2012) (implied consent), *aff'd on other grounds*, 134 S. Ct. 2165 (2014); *In re Pringle*, 495 B.R. 447 (9th Cir. BAP 2013) (rebuttable presumption that failure to challenge authority to issue final order is intentional and indicates consent); *In re Deitz*, 760 F.3d 1028 (9th Cir. 2014) (authority to adjudicate nondischargeability encompasses authority to liquidate debt and enter final judgment). *See generally In re AWTR Liquidation, Inc.*, 548 B.R. 300 (Bankr. C.D. Cal. 2016).

(2) Mediation

[Intentionally omitted: it appears that mediation may be unproductive, at least prior to discovery and narrowing of the issues.]

(3) Deadlines

This adversary proceeding has been pending since 8/27/20. Pursuant to LBR 9021-1(b)(1)(B), plaintiff is directed to lodge a proposed order via LOU within 7 days after the status conference, attaching a copy of this tentative ruling or otherwise memorializing the following.

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
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Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

CONT...

Irene H Kim

Chapter 7

Joinder of parties/amendment of pleadings: 1/22/21 deadline.

Discovery cutoff (for *completion* of discovery): 2/5/21.

Expert(s) - deadline for reports: 2/12/21.

Expert(s) - discovery cutoff (if different from above): 2/26/21.

Dispositive motions to be *heard* no later than: 4/6/21.

Joint Status Report: 12/8/20

Continued status conference: 12/22/20 at 11:00 a.m.

Lodge Joint Proposed Pre-Trial Order: TBD

Pretrial conference: TBD

Deliver trial exhibits to other parties and chambers, including direct testimony by declaration unless excused (see posted forms of order for video trials, on Judge Bason's portion of the Court's web page): TBD (typically 3 court days before trial) (for the format of exhibits and other trial procedures, please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "Trial Practice")

Trial commencement: TBD

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, all appearances are telephonic via CourtCall at (888) 882-6878.

Party Information

Debtor(s):

Irene H Kim

Represented By
Donald E Iwuchuku

Defendant(s):

Hyong Chan Kim

Pro Se

Sunhee Kim

Pro Se

Irene H Kim

Represented By

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
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Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

CONT... Irene H Kim

Donald E Iwuchuku

Chapter 7

Plaintiff(s):

Timothy J Yoo

Represented By
Carmela Pagay

Trustee(s):

Timothy Yoo (TR)

Represented By
Carmela Pagay

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

2:18-24302 GL Master Inc

Chapter 7

Adv#: 2:20-01678 Wolkowitz v. Hot Pot Austin LLC

#4.00 Cont'd status conference re: Complaint for Avoidance and Recovery of Preferential Transfers [11 U.S.C. Sections 547(b), 550(a), and 551] fr. 2/9/21

Docket 1

Tentative Ruling:

Tentative Ruling for 5/4/21:

Continue to 6/29/21 at 11:00 a.m. for Plaintiff/Trustee to file a motion for default judgment based on this Court's review of Plaintiff/Trustee's unilateral status report (adv. dkt. 7). Appearances are not required on 5/4/21.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 2/9/21:

Continue to 5/4/21 at 11:00 a.m. for Plaintiff/Trustee to file a motion for default judgment based on this Court's review of Plaintiff/Trustee's unilateral status report (adv. dkt. 6). Appearances are not required on 2/9/21.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances

**United States Bankruptcy Court
Central District of California
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Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

CONT... GL Master Inc

Chapter 7

are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

GL Master Inc

Represented By
Thomas J Polis

Defendant(s):

Hot Pot Austin LLC

Pro Se

Plaintiff(s):

Edward M. Wolkowitz

Represented By
Juliet Y Oh
Richard P Steelman Jr

Trustee(s):

Edward M Wolkowitz (TR)

Represented By
Juliet Y Oh

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

2:18-24302 GL Master Inc

Chapter 7

Adv#: 2:20-01679 Wolkowitz v. IPot Plano LLC

#5.00 Cont'd status conference re: Complaint for Avoidance and Recovery of Preferential Transfers [11 U.S.C. Sections 547(b), 550(a), and 551] fr. 2/9/21

Docket 1

***** VACATED *** REASON: Notice of voluntary dismissal of adv proceeding [dkt. 4]**

Tentative Ruling:

Party Information

Debtor(s):

GL Master Inc

Represented By
Thomas J Polis

Defendant(s):

IPot Plano LLC

Pro Se

Plaintiff(s):

Edward M. Wolkowitz

Represented By
Juliet Y Oh
Richard P Steelman Jr

Trustee(s):

Edward M Wolkowitz (TR)

Represented By
Juliet Y Oh

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

2:18-24302 GL Master Inc

Chapter 7

Adv#: 2:20-01680 Wolkowitz v. The Law Offices of Lynn Chao, A.P.C., a California

#6.00 Cont'd status conference re: Complaint for avoidance and recovery of preferential transfers [11 U.S.C. sections 547(b), 550(a), and 551] fr. 2/9/21

Docket 1

Tentative Ruling:

Tentative Ruling for 5/4/21:

Continue as set forth below. Appearances are not required on 5/4/21.

(A) Current issues

This Court has reviewed the parties' joint status report (adv. dkt. 9) and the other filed documents and records in this adversary proceeding.

(B) Standard requirements

The following are Judge Bason's standard requirements for status conferences (except as noted below). (To the extent that the parties have already addressed these issues in their status report, they need not repeat their positions at the status conference.)

(1) Venue/jurisdiction/authority

Matters of venue, jurisdiction, and authority have been determined and/or waived or forfeited (adv. dkt. 9, p. 4, para. "(F)").

(2) Mediation

[Non-standard provision.] The tentative ruling is not to order mediation at this time. This Court recognizes that the parties both expressed an interest in mediation as of the filing of that status report (adv. dkt. 14) on 4/19/21. But thereafter, in connection with more global mediation, The Law Offices of Lynn Chao, APC ("ChaoLaw") did not reach any settlement, and ChaoLaw faces ongoing contempt sanctions regarding discovery in a related proceeding in this case. Accordingly, it appears that ordering ChaoLaw to mediation in this adversary proceeding likely would be a waste of time and money.

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

CONT... GL Master Inc

Chapter 7

(3) Deadlines

This adversary proceeding has been pending since 12/7/20. [The deadlines have been memorialized in this Court's scheduling order (adv. dkt. 7), except for the following, which need no written order.]

Joint Status Report: 7/6/21

Continued status conference: 7/20/21 at 11:00 a.m.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 2/9/21:

Appearances required.

(A) Current issues

This Court has reviewed the parties' joint status report (adv.dkt. 5) and the other filed documents and records in this adversary proceeding. Certain key persons already have been ordered to mediation in the bankruptcy case as a whole, by oral order at the hearing on 1/26/21 commencing at 2:00 p.m. (see *a/so* Mem. Dec., dkt.276, p.30:20-21). But no proposed mediation has been lodged as of the preparation of this tentative ruling. Therefore, as a "belt and suspenders" precaution, the tentative ruling is to order mediation in this adversary proceeding as well (as set forth below).

(B) Standard requirements

The following are Judge Bason's standard requirements for status conferences. (To the extent that the parties have already addressed these

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

CONT... GL Master Inc

Chapter 7

issues in their status report, they need not repeat their positions at the status conference.)

(1) Venue/jurisdiction/authority

The parties are directed to address any outstanding matters of (a) venue, (b) jurisdiction, (c) this Bankruptcy Court's authority to enter final orders or judgment(s) in this proceeding and, if consent is required, whether the parties do consent, or have already expressly or impliedly consented. *See generally Stern v. Marshall*, 131 S.Ct. 2594, 2608 (2011) (if litigant "believed that the Bankruptcy Court lacked the authority to decide his claim...then he should have said so – and said so promptly."); *Wellness Int'l Network, Ltd. v. Sharif*, 135 S.Ct. 1932 (2015) (consent must be knowing and voluntary but need not be express); *In re Bellingham Ins. Agency, Inc.*, 702 F.3d 553 (9th Cir. 2012) (implied consent), *aff'd on other grounds*, 134 S. Ct. 2165 (2014); *In re Pringle*, 495 B.R. 447 (9th Cir. BAP 2013) (rebuttable presumption that failure to challenge authority to issue final order is intentional and indicates consent); *In re Deitz*, 760 F.3d 1028 (9th Cir. 2014) (authority to adjudicate nondischargeability encompasses authority to liquidate debt and enter final judgment). *See generally In re AWTR Liquidation, Inc.*, 548 B.R. 300 (Bankr. C.D. Cal. 2016).

(2) Mediation

Is there is any reason why this Court should not order the parties to mediation before one of the volunteer mediators (*not* a Bankruptcy Judge), and meanwhile set the deadlines set forth below? The tentative ruling is to set a **deadline of 2/23/21** for the parties to lodge a proposed mediation order (the parties are directed to use the time between now and that deadline to find a mutually agreeable mediator whose schedule can accommodate the needs of this matter; and if the parties cannot even agree on a mediator they may lodge separate orders and Judge Bason will chose among them, or issue his own order).

(3) Deadlines

This adversary proceeding has been pending since 12/7/20. Pursuant to LBR 9021-1(b)(1)(B), plaintiff is directed to lodge a proposed order via LOU within 7 days after the status conference, attaching a copy of this tentative ruling or otherwise memorializing the following.

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
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Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

CONT...

GL Master Inc

Chapter 7

Joinder of parties/amendment of pleadings-deadline: 7/20/21

Discovery cutoff (for *completion* of discovery): 8/3/21

Expert(s) - deadline for reports: 8/10/21

Expert(s) - discovery cutoff (if different from above): 8/17/21

Dispositive motions to be heard no later than: 9/28/21

Joint Status Report: 4/20/21

Continued status conference: 5/4/21 at 11:00 a.m.

Lodge Joint Proposed Pre-Trial Order: TBD

Pretrial conference: TBD

Deliver trial exhibits to other parties and chambers, including direct testimony by declaration unless excused: TBD

Trial commencement: TBD

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

GL Master Inc

Represented By
Thomas J Polis

Defendant(s):

The Law Offices of Lynn Chao,

Pro Se

Plaintiff(s):

Edward M. Wolkowitz

Represented By
Juliet Y Oh

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, May 4, 2021

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11:00 AM

CONT... GL Master Inc

Chapter 7

Richard P Steelman Jr

Trustee(s):

Edward M Wolkowitz (TR)

Represented By
Juliet Y Oh

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

2:18-24302 GL Master Inc

Chapter 7

Adv#: 2:20-01681 Wolkowitz v. Wonder Hot Pot Bellaire LLC, a Texas limited liabi

#7.00 Cont'd status conference re: Complaint for Avoidance and Recovery of Preferential Transfers [11 U.S.C. Sections 547(b), 550(a), and 551] fr. 2/9/21

Docket 1

***** VACATED *** REASON: Notice of voluntary dismissal of adv proceeding [dkt. 4]**

Tentative Ruling:

Party Information

Debtor(s):

GL Master Inc

Represented By
Thomas J Polis

Defendant(s):

Wonder Hot Pot Bellaire LLC, a

Pro Se

Plaintiff(s):

Edward M. Wolkowitz

Represented By
Juliet Y Oh
Richard P Steelman Jr

Trustee(s):

Edward M Wolkowitz (TR)

Represented By
Juliet Y Oh

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

2:18-24302 GL Master Inc

Chapter 7

Adv#: 2:20-01682 Wolkowitz v. XFY Time Square LLC, a Texas limited liability com

#8.00 Cont'd status conference re: Complaint for Avoidance and Recovery of Preferential Transfers [11 U.S.C. Sections 547(b), 550(a), and 551] fr. 2/9/21

Docket 1

*** VACATED *** REASON: Notice of voluntary dismissal of adv proceeding [dkt. 4]

Tentative Ruling:

Party Information

Debtor(s):

GL Master Inc

Represented By
Thomas J Polis

Defendant(s):

XFY Time Square LLC, a Texas

Pro Se

Plaintiff(s):

Edward M. Wolkowitz

Represented By
Juliet Y Oh
Richard P Steelman Jr

Trustee(s):

Edward M Wolkowitz (TR)

Represented By
Juliet Y Oh

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

2:18-24302 GL Master Inc

Chapter 7

Adv#: 2:20-01683 Wolkowitz v. Young Young Food, LLC

#9.00 Cont'd Status Conference re: Complaint for Avoidance and Recovery of Preferential Transfers [11 U.S.C. Sections 547(b), 550(a) and 551] fr. 2/9/21

Docket 1

Tentative Ruling:

Tentative Ruling for 5/4/21:

Continue as set forth below. Appearances are not required on 5/4/21.

(A) Current issues

This Court has reviewed the parties' joint status report (adv. dkt. 9) and the other filed documents and records in this adversary proceeding.

(B) Standard requirements

The following are Judge Bason's standard requirements for status conferences (except as noted below). (To the extent that the parties have already addressed these issues in their status report, they need not repeat their positions at the status conference.)

(1) Venue/jurisdiction/authority

Matters of venue, jurisdiction, and authority have been determined and/or waived or forfeited (adv. dkt. 9, p. 4, para. "(F)").

(2) Mediation

[Non-standard provision.] The tentative ruling is not to order mediation at this time. This Court recognizes that the parties both expressed an interest in mediation as of the filing of that status report on 4/19/21. But thereafter defendant Young Young Food, LLC ("YYF") failed to appear at a hearing on 4/27/21 on a motion regarding contempt sanctions regarding discovery in a related proceeding in this case. Accordingly, it appears that ordering YYF to mediation in this adversary proceeding likely would be a waste of time and money.

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
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Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

CONT...

GL Master Inc

Chapter 7

(3) Deadlines

This adversary proceeding has been pending since 12/7/20. [The deadlines have been memorialized in this Court's scheduling order (adv. dkt. 7), except for the following, which need no written order.]

Joint Status Report: 7/6/21

Continued status conference: 7/20/21 at 11:00 a.m.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 2/9/21:

Appearances required.

(A) Current issues

This Court has reviewed the parties' joint status report (adv.dkt. 5) and the other filed documents and records in this adversary proceeding. Certain key persons already have been ordered to mediation in the bankruptcy case as a whole, by oral order at the hearing on 1/26/21 commencing at 2:00 p.m. (see *also* Mem. Dec., dkt.276, p.30:20-21). But no proposed mediation has been lodged as of the preparation of this tentative ruling. Therefore, as a "belt and suspenders" precaution, the tentative ruling is to order mediation in this adversary proceeding as well (as set forth below).

(B) Standard requirements

The following are Judge Bason's standard requirements for status conferences. (To the extent that the parties have already addressed these issues in their status report, they need not repeat their positions at the status

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

CONT... GL Master Inc
conference.)

Chapter 7

(1) Venue/jurisdiction/authority

The parties are directed to address any outstanding matters of (a) venue, (b) jurisdiction, (c) this Bankruptcy Court's authority to enter final orders or judgment(s) in this proceeding and, if consent is required, whether the parties do consent, or have already expressly or impliedly consented. *See generally Stern v. Marshall*, 131 S.Ct. 2594, 2608 (2011) (if litigant "believed that the Bankruptcy Court lacked the authority to decide his claim...then he should have said so – and said so promptly."); *Wellness Int'l Network, Ltd. v. Sharif*, 135 S.Ct. 1932 (2015) (consent must be knowing and voluntary but need not be express); *In re Bellingham Ins. Agency, Inc.*, 702 F.3d 553 (9th Cir. 2012) (implied consent), *aff'd on other grounds*, 134 S. Ct. 2165 (2014); *In re Pringle*, 495 B.R. 447 (9th Cir. BAP 2013) (rebuttable presumption that failure to challenge authority to issue final order is intentional and indicates consent); *In re Deitz*, 760 F.3d 1028 (9th Cir. 2014) (authority to adjudicate nondischargeability encompasses authority to liquidate debt and enter final judgment). *See generally In re AWTR Liquidation, Inc.*, 548 B.R. 300 (Bankr. C.D. Cal. 2016).

(2) Mediation

Is there is any reason why this Court should not order the parties to mediation before one of the volunteer mediators (*not* a Bankruptcy Judge), and meanwhile set the deadlines set forth below? The tentative ruling is to set a **deadline of 2/23/21** for the parties to lodge a proposed mediation order (the parties are directed to use the time between now and that deadline to find a mutually agreeable mediator whose schedule can accommodate the needs of this matter; and if the parties cannot even agree on a mediator they may lodge separate orders and Judge Bason will chose among them, or issue his own order).

(3) Deadlines

This adversary proceeding has been pending since 12/7/20. Pursuant to LBR 9021-1(b)(1)(B), plaintiff is directed to lodge a proposed order via LOU within 7 days after the status conference, attaching a copy of this tentative ruling or otherwise memorializing the following.

Joinder of parties/amendment of pleadings-deadline: 7/20/21

**United States Bankruptcy Court
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Los Angeles
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Hearing Room 1545

11:00 AM

CONT...

GL Master Inc

Chapter 7

Discovery cutoff (for completion of discovery): 8/3/21

Expert(s) - deadline for reports: 8/10/21

Expert(s) - discovery cutoff (if different from above): 8/17/21

Dispositive motions to be heard no later than: 9/28/21

Joint Status Report: 4/20/21

Continued status conference: 5/4/21 at 11:00 a.m.

Lodge Joint Proposed Pre-Trial Order: TBD

Pretrial conference: TBD

Deliver trial exhibits to other parties and chambers, including direct testimony by declaration unless excused: TBD

Trial commencement: TBD

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

GL Master Inc

Represented By
Thomas J Polis

Defendant(s):

Young Young Food, LLC

Pro Se

Plaintiff(s):

Edward M. Wolkowitz

Represented By
Juliet Y Oh
Richard P Steelman Jr

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

CONT... GL Master Inc

Chapter 7

Trustee(s):

Edward M Wolkowitz (TR)

Represented By
Juliet Y Oh

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

2:17-19548 Layfield & Barrett, APC

Chapter 11

#10.00 Cont'd Status Conference re: Chapter 11 Case
fr. 9/19/17, 10/17/17, 4/17/18, 5/1/18, 7/10/18, 9/18/18,
10/26/18, 12/6/18, 12/18/18, 2/5/19, 03/05/19, 04/02/19
04/30/19, 06/04/19, 7/30/19, 9/10/19, 10/1/19, 10/15/19,
11/12/19, 12/10/19, 12/17/19, 2/18/20, 3/3/20, 03/31/20,
8/4/20, 9/1/20, 9/15/20, 12/8/20

Docket 323

Tentative Ruling:

Tentative Ruling for 5/4/21:

Continue as set forth below. Appearances are not required on 5/4/21.

(1) Current matters

(a) Combined Status Conference

This Status Conference involves two related bankruptcy cases and associated matters: (a) *In re Layfield & Barrett, APC*, Case No. 2:17-bk-19548-NB ("L&B"); (b) *In re Layfield*, Case No. 2:18-bk-15829-NB ("Lay-Invol."); (c) *Pimentel v. Layfield et al*, Case No. 2:19-ap-01069-NB ("Pimentel Adv."), (d) *Pachulski v. Layfield*, Case No. 2:19-ap-01071-NB ("Pachulski Adv.").

This Court has no issues to raise *sua sponte* at this time. The tentative ruling is to continue all matters on today's calendar to the continued date set forth below.

(2) Deadlines/dates. The L&B case was filed as an involuntary chapter 7 on 8/3/17 and converted to chapter 11 on 8/11/17 (L&B dkt. 25). The Lay-Invol case was filed as an involuntary chapter 7 case on 5/21/18 and an order for relief was entered on 12/12/18 (Lay-Invol dkt. 160, 161).

(a) L&B Bar date: 2/5/18 (timely served, L&B dkt. 133, 157)

(b) Lay-Invol Bar date: 4/12/19 (timely served, Lay-Invol dkt.180)

(c) L&B Plan/Disclosure Statement*: TBD. Do not file or serve until further order of this court.

(d) Continued status conference: 8/3/21 at 11:00 a.m. *Brief* status report due 7/20/21.

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CONT... Layfield & Barrett, APC

Chapter 11

*Warning: special procedures apply (see order setting initial status conference).

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

[PRIOR TENTATIVE RULINGS OMITTED]

Party Information

Debtor(s):

Layfield & Barrett, APC

Pro Se

Movant(s):

Layfield & Barrett, APC

Pro Se

Trustee(s):

Richard Pachulski (TR)

Represented By
Malhar S Pagay
James KT Hunter

**United States Bankruptcy Court
Central District of California
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Hearing Room 1545

11:00 AM

2:18-15829 Philip James Layfield

Chapter 7

#11.00 Cont'd Status Conference re: Chapter 7 Involuntary
fr. 07/17/18, 08/14/18, 09/04/18, 09/18/18, 10/26/18,
12/6/18, 12/18/18, 02/05/19, 03/05/19, 04/02/19,
04/30/19, 06/04/19, 7/30/19, 10/1/19, 10/15/19, 11/12/19,
12/10/19, 02/18/20, 3/3/20, 03/31/20, 8/4/20, 12/8/20

Docket 1

Tentative Ruling:

Tentative Ruling for 5/4/21:

Please see the tentative ruling for the status conference in the *Layfield & Barrett* case (Calendar No. 10, 5/4/21 at 11:00 a.m.).

[PRIOR TENTATIVE RULINGS OMITTED]

Party Information

Debtor(s):

Philip James Layfield

Represented By
Anthony M Solis

Trustee(s):

Wesley H Avery (TR)

Represented By
Jeffrey I Golden
Faye C Rasch
Beth Gaschen
Ryan W Beall

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

2:18-15829 Philip James Layfield

Chapter 7

Adv#: 2:19-01069 Pimentel v. Layfield et al

#12.00 Cont'd Status Conference re: Complaint Against Dischargeability
1) Declaratory Relief and 2) Fraudulent Transfer / Concealment
fr. 5/21/19, 06/04/19, 7/30/19, 10/1/19, 03/31/20, 8/4/20,
12/8/20

Docket 1

Tentative Ruling:

Tentative Ruling for 5/4/21:

Please see the tentative ruling for the status conference in the *Layfield & Barrett* case (Calendar No. 10, 5/4/21 at 11:00 a.m.).

[PRIOR TENTATIVE RULINGS OMITTED]

Party Information

Debtor(s):

Philip James Layfield

Represented By
Anthony M Solis

Defendant(s):

Philip J Layfield

Pro Se

WESLEY Howard AVERY

Pro Se

Affeld Grivakes LLP

Represented By
Damion Robinson

Plaintiff(s):

Rodney A Pimentel

Represented By
Yana G Henriks

Trustee(s):

Wesley H Avery (TR)

Represented By
Jeffrey I Golden

**United States Bankruptcy Court
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CONT...

Philip James Layfield

Chapter 7

Faye C Rasch
Beth Gaschen
Ryan W Beall

**United States Bankruptcy Court
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Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

2:18-15829 Philip James Layfield

Chapter 7

Adv#: 2:19-01071 Richard M. Pachulski, Chapter 11 Trustee of the Ba v. Layfield

#13.00 Cont'd Status Conference re: Complaint to Determine the Non-Dischargeability of Certain Debts Owed by Philip James Layfield to Richard M. Pachulski, Chapter 11 Trustee of the Bankruptcy Estate of Layfield & Barrett, APC.
fr. 05/21/19, 11/5/19, 03/31/20, 8/4/20, 12/8/20

Docket 1

Tentative Ruling:

Tentative Ruling for 5/4/21:

Please see the tentative ruling for the status conference in the *Layfield & Barrett* case (Calendar No. 10, 5/4/21 at 11:00 a.m.).

[PRIOR TENTATIVE RULINGS OMITTED]

Party Information

Debtor(s):

Philip James Layfield

Represented By
Anthony M Solis

Defendant(s):

Philip James Layfield

Pro Se

Plaintiff(s):

Richard M. Pachulski, Chapter 11

Represented By
James KT Hunter

Trustee(s):

Wesley H Avery (TR)

Represented By
Jeffrey I Golden
Faye C Rasch
Beth Gaschen

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

11:00 AM

2:20-19018 Dedra M Chachere-Hunt

Chapter 7

#14.00 Hrg re: Application to Employ Roquemore, Pringle & Moore, Inc.
as General Counsel as of January 28, 2021

Docket 49

Tentative Ruling:

Overrule the Debtor's opposition (dkt. 53) and grant the application for the reasons stated in the application and reply papers (dkt. 49, 54). Appearances are not required.

Proposed order: Movant is directed to lodge a proposed order via LOU within 7 days after the hearing date. See LBR 9021-1(b)(1)(B).

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Dedra M Chachere-Hunt

Represented By
Kahlil J McAlpin

Trustee(s):

John P Pringle (TR)

Represented By
Michelle A Marchisotto

**United States Bankruptcy Court
Central District of California
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Hearing Room 1545

1:00 PM

2:20-15954 John Martin Kennedy

Chapter 11

#1.00 Hrg re: Motion of Debtor for Third Order Extending the Debtor's
Exclusive Period to Obtain Acceptance of His Plan

Docket 305

Tentative Ruling:

Please see the tentative ruling for the status conference (Calendar No. 2.1,
5/4/21 at 1:00 p.m.).

Party Information

Debtor(s):

John Martin Kennedy

Represented By
Sandford L. Frey
Dennette A Mulvaney

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Hearing Room 1575

1:00 PM

2:20-15954 John Martin Kennedy

Chapter 11

#2.00 Cont'd hrg re: Objection to Claim Number 2 Filed by Yunuen Campos; and Motion to (1) Determine the Amount of the Claim of Yunuen Campos Pursuant to Bankruptcy Code § 506(a) and FRBP 3012, or (2) in the Alternative Motion to Estimate the Claim of Yunuen Campos fr. 3/23/21, 4/27/21

Docket 257

Tentative Ruling:

Tentative Ruling for 5/4/21:

Please see the tentative ruling for the status conference (Calendar No. 2.1, 5/4/21 at 1:00 p.m.).

[PRIOR TENTATIVE RULINGS OMITTED]

Party Information

Debtor(s):

John Martin Kennedy

Represented By

Sandford L. Frey

Dennette A Mulvaney

Movant(s):

John Martin Kennedy

Represented By

Sandford L. Frey

Dennette A Mulvaney

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Hearing Room 1545

1:00 PM

2:20-15954 John Martin Kennedy

Chapter 11

#2.10 Cont'd Status Conference re: Chapter 11 Case
fr. 7/14/20, 7/28/20, 8/18/20, 9/15/20, 9/29/20,
10/27/20, 11/10/20, 12/1/20, 12/8/20, 12/22/20,
01/26/21, 3/23/21, 4/6/21, 4/27/21

Docket 1

Tentative Ruling:

Tentative Ruling for 5/4/21:

Continue as set forth below. Appearances are not required on 5/4/21.

(1) Current issues

(a) Debtor's motion to extend exclusivity period to obtain acceptance of plan (dkt. 305), no opposition on file

The tentative ruling is to grant the extension motion and extend the deadline for Debtor to gain acceptance of the plan to 6/28/21.

(b) Debtor's objection to Claim 2 filed by Yunuen Campos (dkt. 257), Ms. Campos' opposition (dkt. 261), Debtor's reply (dkt. 266)

This Court has largely sustained this claim objection, except with respect to any outstanding accounting issues, as to which this Court directed the parties to meet and confer. The tentative ruling is to continue this hearing, to be contemporaneous with the continued status conference (see part "(2)" of this tentative ruling, below). If the parties have not resolved any disputes about the accounting, the tentative ruling is to set a **deadline of 5/25/21** for Debtor to file and serve a supplemental brief and declaration(s) setting forth Debtor's understanding of the remaining issues and his evidence in support of his position, with a **deadline of 6/1/21** for Ms. Campos' response, and **6/8/21** for Debtor's reply.

(c) Campos v. Kennedy (Adv. No. 2:20-ap-01626-NB)

The tentative ruling is to dismiss this adversary proceeding as moot. Previously this adversary proceeding was stayed so that Debtor could attempt to confirm his proposed Plan (with all rights reserved if Debtor failed to obtain confirmation of that Plan). See dkt. 247, Ex.1, at PDF pp. 5-6 (Section (1)

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CONT... John Martin Kennedy

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(b)). Now this Court has issued an oral order confirming the Plan (at the hearing on 4/27/21).

Under the Plan, the parties' executory contract embodied in the Mediation Term Sheet is assumed and, contrary to Ms. Campos' position in this adversary proceeding, the Plan treats her claim as an unsecured claim (consistent with the Mediation Term Sheet, which neither creates nor recognizes any alleged security interests in future accounts receivable). Accordingly, there is no point in determining whatever Ms. Campos' rights would have been if the Plan had not been confirmed, and it appears that there is nothing left to address in this adversary proceeding.

Note: Nothing in the foregoing tentative ruling is intended to cut off or prejudice whatever rights Ms. Campos might have if this Court's orders were to be reversed or modified by any appellate tribunal. As stated on the record at the confirmation hearing on 4/27/21, the Plan does not purport to cut off or prejudice the issues that are subject to the appellate proceedings.

Proposed orders: Debtor is directed to proposed orders on each of the three foregoing matters via LOU within 7 days after the hearing date, and attach a copy of the tentative ruling in part "(1)(c)" to the order addressing that issue, all subject to Ms. Campos' rights to contest the tentative rulings and any changes that might be ordered at the hearing. See LBR 9021-1(b)(1)(B).

(2) Deadlines/dates. This case was filed on 6/30/20.

(a) Bar date: 10/2/20 (dkt. 39) (timely served, dkt. 52)

(b) Procedures order: dkt.4 (timely served, dkt.18).

(c) Plan (dkt. 250, 251, 265)/Disclosure Statement* (dkt. 251): Plan confirmed at hearing held 4/27/21 at 1:00 p.m.

(d) Post-confirmation status conference: 6/15/21 at 1:00 p.m. No status report required.

*Warning: special procedures apply (see order setting initial status conference).

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances

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CONT...

John Martin Kennedy

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are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

[PRIOR TENTATIVE RULINGS OMITTED]

Party Information

Debtor(s):

John Martin Kennedy

Represented By

Sandford L. Frey

Dennette A Mulvaney

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Hearing Room 1545

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2:20-15954 John Martin Kennedy

Chapter 11

Adv#: 2:20-01626 Campos v. Kennedy

#2.20 Cont'd Status Conference re: Complaint for Declaratory and
Injunctive Relief re: Determination of Validity, Priority or Extent
of Interest in Property
fr. 12/1/20, 1/26/21, 4/27/21

Docket 1

Tentative Ruling:

Tentative Ruling for 5/4/21:

Please see the tentative ruling for the status conference (Calendar No. 2.1, 5/4/21 at 1:00 p.m.).

Tentative Ruling for 4/27/21:

Please see the tentative ruling for the main case status conference (Calendar No. 24, 4/27/21 at 1:00 p.m.).

Tentative Ruling for 1/26/21:

Please see the tentative ruling for the main case status conference (Calendar No. 33, 1/26/21 at 1:00 p.m.).

Tentative Ruling for 12/1/20:

Appearances required.

This Court has reviewed the parties' joint status report (adv.dkt. 4) and the other filed documents and records in this adversary proceeding.

(A) Current issues

Defendant (Debtor) suggests in the status report that this Court stay all proceedings in this adversary proceeding, because his forthcoming chapter 11 plan may moot some or all issues in this adversary proceeding. Plaintiff (Ms. Campos) suggested in the status report that such issues must be decided before any plan can be confirmed.

The parties are directed to clarify the following issues. (1) Does

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Plaintiff (Ms. Campos) assert that, under nonbankruptcy law, the assignment order created an absolute assignment in Debtor's accounts receivable ("A/R"), or a security interest, or both?

(2) Does she assert those things not only as to (a) A/R embodied in checks that had been issued prepetition (from medical insurers and Medicare prepetition), but also (b) A/R arising from services that had been performed prepetition, but as to which checks had not been issued as of the petition date (*i.e.*, as to which such an interest arguably had not attached as of the petition date), and also (c) A/R arising from services that had yet to be performed as of the petition date? Phrasing these last two issues differently, is Plaintiff asserting that, under nonbankruptcy law, 25% of any checks that had yet to be cut, and 25% of any A/R that had yet to generated by Debtor's postpetition labor, belongs to Plaintiff, regardless of any interest of, for example, a different judgment creditor who obtained a judicial lien against the A/R and also claimed the same 25%?

(3) Under the Bankruptcy Code, is Plaintiff asserting that her alleged interest in each of the three types of A/R described above is superior to the interests of the bankruptcy estate, other creditors, and any exemptions that Debtor may assert in the A/R?

Depending on Plaintiff's responses, Defendant (Debtor) is directed to address how he can propose a chapter 11 plan without resolving the issues raised in this adversary proceeding. Does Defendant (Debtor) anticipate proposing payment terms (*e.g.*, payment over a time period consistent with the parties' Term Sheet) without resolving whether such payment is secured by the A/R, or whether Plaintiff (Ms. Campos) owns the A/R? Is it possible to confirm a plan that leaves such issues unresolved?

The tentative ruling is to direct the parties to address on a preliminary basis how the foregoing issues bear on whether or not to stay these proceedings. Then the tentative ruling is to continue this matter as set forth below, so that all of these issues can be better addressed after Debtor has proposed a chapter 11 plan.

(B) Standard requirements

The following are Judge Bason's standard requirements for status conferences. (To the extent that the parties have already addressed these issues in their status report, they need not repeat their positions at the status conference.)

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(1) Venue/jurisdiction/authority

The parties are directed to address any outstanding matters of (a) venue, (b) jurisdiction, (c) this Bankruptcy Court's authority to enter final orders or judgment(s) in this proceeding and, if consent is required, whether the parties do consent, or have already expressly or impliedly consented. *See generally Stern v. Marshall*, 131 S.Ct. 2594, 2608 (2011) (if litigant "believed that the Bankruptcy Court lacked the authority to decide his claim...then he should have said so – and said so promptly."); *Wellness Int'l Network, Ltd. v. Sharif*, 135 S.Ct. 1932 (2015) (consent must be knowing and voluntary but need not be express); *In re Bellingham Ins. Agency, Inc.*, 702 F.3d 553 (9th Cir. 2012) (implied consent), *aff'd on other grounds*, 134 S. Ct. 2165 (2014); *In re Pringle*, 495 B.R. 447 (9th Cir. BAP 2013) (rebuttable presumption that failure to challenge authority to issue final order is intentional and indicates consent); *In re Deitz*, 760 F.3d 1028 (9th Cir. 2014) (authority to adjudicate nondischargeability encompasses authority to liquidate debt and enter final judgment). *See generally In re AWTR Liquidation, Inc.*, 548 B.R. 300 (Bankr. C.D. Cal. 2016).

(2) Mediation

[Intentionally omitted: it appears that mediation may be unproductive at this time.]

(3) Deadlines

This adversary proceeding has been pending since 9/23/20.

Joint Status Report: 1/19/21.

Continued status conference: 1/26/21 at 1:00 p.m.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the

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CONT...

John Martin Kennedy

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first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

John Martin Kennedy

Represented By
Sandford L. Frey
Dennette A Mulvaney

Defendant(s):

John Martin Kennedy

Represented By
Sandford L. Frey

Plaintiff(s):

Yunuen Campos

Represented By
Lauren A Dean

**United States Bankruptcy Court
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Tuesday, May 4, 2021

Hearing Room 1545

1:00 PM

2:20-19443 Joshuaville, LLC

Chapter 11

#3.00 Hrg re: Motion To Compel The Debtor To Properly
Assume Or Reject Contract Or Dismiss Case

Docket 66

Tentative Ruling:

Please see the tentative ruling for the Status Conference (Calendar No. 4,
5/4/21 at 1:00 p.m.).

Party Information

Debtor(s):

Joshuaville, LLC

Represented By
Leslie A Cohen

Trustee(s):

Moriah Douglas Flahaut (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
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1:00 PM

2:20-19443 Joshuaville, LLC

Chapter 11

#4.00 Cont'd Status Conference re: Chapter 11 Case
fr. 11/10/20, 12/22/20, 1/26/21, 03/02/21, 03/23/21,
4/6/21, 4/27/21

Docket 1

Tentative Ruling:

Tentative Ruling for 5/4/21:

Appearances required.

(1) Current issues

(a) Motion of March 1 LLC and Marchlife3, LLC's (the "March Entities") to compel Debtor to assume or reject contract, or alternatively for dismissal of case (the "Deadline Motion," dkt. 66); Debtor's Opposition (dkt. 69); March Entities' Reply (dkt. 70)

Although Debtor is correct that the March Entities' legal analysis is thin, the tentative ruling is that the March Entities have presented sufficient arguments and evidence that, unless Debtor assumes or rejects the Participation Agreement very soon, the March Entities will not be able to meet their own deadline of 9/19/21 (the "Third Party Deadline") to make certain mandatory improvements, under their Disposition & Development Agreement with a governmental or quasi-governmental "Authority" for development of part of the former March Air Force Base (the "Development Agreement"). See Neimann Decl. (dkt. 66), p. 7:8–12, *and* Ex.A pp.12 *and* 13 (Participation Agreement) recitals and section 1 (at PDF p. 15) *and* pp.26 & 29 (schedule of payments, and "Horizontal Improvements" budget, Ex.B&E to Participation Agreement) (at PDF pp. 28 & 31). The March Entities have provided evidence that they need an estimated \$800,000 of funding from Debtor or, in the alternative, from another source, far enough in advance of that Third Party Deadline to make the improvements, or else they risk losing the entire project. Dkt. 66, pp. 7:24–8:3.

Debtor provides no contrary evidence. True, Debtor's proposed Plan (the "Plan," dkt. 61) provides for assumption of the participation agreement and an eventual cure. But the proposed time for any cure payment appears to be the later of (i) the Effective Date (defined to be 6 months after

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confirmation), if Debtor has sold the interests by then, or alternatively (ii) any later date when Debtor has the funds to make cure payments, subject to the apparent condition that Debtor will only make such payments if it "sells its interests under the Participation Agreement within 3 years after the Effective Date." See Plan, dkt. 61, sections "A," "C," 2.03, 4.01, 6.01, and 8.01. The tentative ruling is that this is insufficient for multiple reasons.

First, the March Entities point to evidence (Debtor's own Monthly Operating Reports and other bankruptcy papers) that Debtor has very few funds or ability to generate income, and therefore Debtor lacks any obvious ability to make the cure payments, except for a speculative prospect of finding investors. Again, Debtor provides no contrary evidence. The tentative ruling is that Debtor has not provided "adequate assurance" that it will be able to cure the default, as required by 11 U.S.C. 365(b)(1)(A) and 1123(b)(2).

Second, the tentative ruling is that, once the Third Party Deadline has expired, Debtor cannot "unring the bell" and belatedly cure its own failure to fund the required improvements before that deadline. See *generally In re Claremont Acquisition Corp.*, 113 F.3d 1029, 1033-35 (9th Cir. 1997) (debtor's failure to operate business for two weeks was historical fact that could not be cured). This means that, based on the evidence provided by the March Entities, Debtor must provide very strong assurances very soon that it will be able to provide the funds in sufficient time for the required improvements to be constructed prior to the Third Party Deadline, or else the March Entities will be left with too little time to make other arrangements to obtain such funding and construct the necessary improvements before the Third Party Deadline.

Third, even supposing that Debtor had presented evidence of some leeway in the Third Party Deadline under the Development Agreement (which Debtor has not presented), the tentative ruling is that Debtor's proposed time line is not sufficient to "promptly" cure within the meaning of 11 U.S.C. 365(b)(1)(A) (emphasis added). Again, the March Entities have provided evidence of what "prompt[]" means in the circumstances of this case - *i.e.*, sufficient to assure that the March Entities will not lose their own rights under the Development Agreement - and Debtor has not provided any evidence to the contrary.

Fourth, Debtor's apparent loophole - that it will only pay the cure payment if it can sell its interests under the Participation Agreement within three years after the Effective Date - appears to undermine any ability to

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CONT... Joshuaville, LLC

Chapter 11

provide "adequate assurance" of a future cure. 11 U.S.C. 365(b)(1)(A) (emphasis added).

For each of the foregoing alternative reasons, the tentative ruling is to grant the Deadline Motion, and to set a **deadline of 6/1/21** for Debtor to (x) obtain a ruling from this Court authorizing it to assume its Participation Agreement with the March Entities and (y) actually fund the estimated \$800,000 of necessary improvements, or else (z) reject the Participation Agreement. The tentative ruling is that there is cause to shorten time on any motion to assume (or reject) the Participation Agreement, both because of the above 6/1/21 deadline and because Debtor would need to raise a lot of money quickly in order to meet that deadline. See Rules 6006, 9006(c) & (d), 9013, 9014, 9036.

The tentative ruling is to shorten the deadlines such that, if Debtor can **file and serve an assumption or rejection motion by 5/18/21**, that motion can be self-calendared concurrent with the continued status conference (see below), with an **opposition deadline of 5/24/21** and **any reply due 5/27/21**.

Nothing in the foregoing tentative rulings should be construed to eliminate any claims (if any) that survive the arbitration award (dkt. 66, Ex.B, at PDF pp.37 *et seq.*). For example, Debtor retains all claims or defenses that might arise from its assertion that the March Entities have prevented Debtor from performing, by failing to provide Debtor with allegedly essential information to be able to attract investors. See, e.g., Plan (dkt. 61), at PDF pp. 2-3. Likewise, the March Entities retain all claims or defenses that might arise from their assertions (and any preclusive findings or rulings in the arbitration award) that Debtor made material false statements in the inception of the participation agreement or thereafter. All rights are reserved as to any claims, counterclaims, and defenses that are not barred by principles of preclusion or other doctrines.

Proposed order: The March Entities are directed to lodge a proposed order on the Deadline Motion via LOU within 7 days after the hearing date and attach a copy of this tentative ruling, thereby adopting it as this Court's final ruling, subject to any changes ordered at the hearing. See LBR 9021-1(b)(1)(B).

(2) Deadlines/dates. This case was filed, as a Subchapter V case, on 10/19/20.

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Joshuaville, LLC

Chapter 11

- (a) Bar date: 12/28/20 per General Order 20-01 (70 days after petition date in Subchapter V cases) (DO NOT SERVE any notice: one has already been sent, see dkt.9).
 - (b) Procedures order: dkt.4 (timely served, dkt.6).
 - (c) Amended Plan (dkt. 61): Confirmation hearing 6/15/21 at 1:00 p.m. (dkt. 63)
 - (d) Continued status conference: 6/1/21 at 1:00 p.m. No written status report is required.
- *Warning: special procedures apply (see order setting initial status conference).

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

[PRIOR TENTATIVE RULINGS OMITTED]

Party Information

Debtor(s):

Joshuaville, LLC

Represented By
Leslie A Cohen

Trustee(s):

Moriah Douglas Flahaut (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

1:00 PM

2:19-24099 Jeremy Caleb Gardiner

Chapter 11

#5.00 Hrg re: Motion in Chapter 11 Case for the Entry
of: An Order Closing Case on Interim Basis

Docket 129

Tentative Ruling:

Please see the tentative ruling for the Status Conference (Calendar No. 6,
5/4/21 at 1:00 p.m.).

Party Information

Debtor(s):

Jeremy Caleb Gardiner

Represented By
Matthew D. Resnik
Roksana D. Moradi-Brovia

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Central District of California
Los Angeles
Judge Neil Bason, Presiding
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Hearing Room 1545

1:00 PM

2:19-24099 Jeremy Caleb Gardiner

Chapter 11

#6.00 Status Conference re: Post confirmation
fr. 12/17/19, 1/28/20, 3/3/20, 5/12/20, 7/14/20,
9/1/20, 9/29/20, 10/6/20, 10/27/20, 11/10/20,
12/8/20, 2/9/21, 4/6/21

Docket 6

Tentative Ruling:

Tentative Ruling for 5/4/21:

Appearances are not required.

(1) Current issues

(a) Debtor's Motion for the Entry of an Order Closing the Case on an Interim Basis (dkt. 129), no opposition is on file; see also Status Report (dkt. 131)

The tentative ruling is to grant the motion and set no further status conferences at this time.

Proposed order: Debtor is directed to lodge a proposed order on the foregoing motion via LOU within 7 days after the hearing date. See LBR 9021-1(b)(1)(B).

(2) Deadlines/dates. This case was filed on 12/2/19.

(a) Bar date: 2/17/20 (dkt. 22; timely served, dkt. 23)

(b) Procedures order: dkt. 5 (timely served, dkt. 9)

(c) Plan/Disclosure Statement (dkt. 99, 100)*: Plan confirmed (dkt. 114)

(d) Post-confirmation status conference: N/A.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are

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CONT...

Jeremy Caleb Gardiner

Chapter 11

appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

[PRIOR TENTATIVE RULINGS OMITTED]

Party Information

Debtor(s):

Jeremy Caleb Gardiner

Represented By

Matthew D. Resnik

Roksana D. Moradi-Brovia

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2:20-20909 VEEJ Corp

Chapter 11

#7.00 Cont'd hrg re: Motion for relief from stay [UD]
1/26/21, 2/9/21, 03/23/21, 4/6/21

MOSS ATKINSON FAMILY TRUST
vs
DEBTOR

Docket 30

Tentative Ruling:

Tentative Ruling for 5/4/21:

Please see the tentative ruling for the Status Conference (Calendar No. 8, 5/4/21 at 1:00 p.m.).

Tentative Ruling for 4/6/21:

Please see the tentative ruling for the Status Conference (Calendar No. 16, 4/6/21 at 1:00 p.m.).

[PRIOR TENTATIVE RULINGS OMITTED]

Party Information

Debtor(s):

VEEJ Corp

Represented By
Jeffrey S Shinbrot

Movant(s):

Moss Atkinson Family Trust

Represented By
Giovanni Orantes

Trustee(s):

Susan K Seflin (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
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1:00 PM

2:20-20909 VEEJ Corp

Chapter 11

#8.00 Cont'd Status Conference re: Chapter 11 Case
fr. 1/5/21, 1/26/21, 03/02/21, 3/23/21, 4/6/21

Docket 1

Tentative Ruling:

Tentative Ruling for 5/4/21:

Appearances required.

(1) Current issues

(a) Motion of Moss Atkinson Family Trust ("Lessor") for Relief from Stay ("R/S Motion," dkt. 30), Debtor's Opposition (dkt. 45), Lessor's Reply (dkt. 50), Lessor's Surreply (dkt. 79), Debtor's response to Surreply (dkt. 80)

The tentative ruling is to strike both Lessor's surreply and Debtor's response, because neither was authorized and neither presents sufficient grounds for retroactive authorization. Alternatively, the tentative ruling is that even if this Court were not to strike those papers, they have no bearing on the R/S Motion because this Court will not take into consideration mediation matters and settlement communications.

This hearing has been continued multiple times based on the parties' stipulations; but the docket does not reflect that the parties have been able to reach any agreement. There is no tentative ruling, but the parties should be prepared to address the arguments and allegations in their filed papers.

(b) Debtors' proposed Plan (dkt. 68)

All of the issues previously noted by this Court continue to apply. See Tentative Ruling for 4/6/21 (reproduced below). But any disposition of the disputes with Lessor is likely to determine much what must be included in any amended Plan, so there is no tentative ruling regarding the draft Plan or any amendments to it.

(2) Deadlines/dates. This case was filed on 12/13/20. Debtor elected to proceed under Subchapter V.

(a) Bar date: 2/22/21 per General Order 20-01 (70 days after petition date in Subchapter V cases) (DO NOT SERVE any notice: one

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has already been sent, see dkt.23).

(b) Procedures order: dkt. 3 (timely served, dkt. 6).

(c) Plan (dkt. 68): TBD.

(d) Continued status conference: 6/1/21 at 1:00 p.m. No written status report is required.

*Warning: special procedures apply (see order setting initial status conference).

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 4/6/21:

Appearances required by counsel for the debtor.

(1) Current issues

(a) Motion of Moss Atkinson Family Trust ("Lessor") for Relief from Stay (dkt. 30), Debtor's Opposition (dkt. 45), Lessor's Reply (dkt. 50)

The Court has continued the hearing on Lessor's motion from 1/26/21 to 2/9/21, 3/2/21, 3/23/21, and now this current hearing, based on the stipulations filed by the parties. See dkts. 53, 57, 63, 69. There is no tentative ruling, but the parties should be prepared to discuss the status of their negotiations regarding the premises at 24901 W. Avenue Stanford, in Valencia, California (the "Premises").

(b) Debtors' proposed Plan (dkt. 68)

The tentative ruling is to address the following issues with Debtor's counsel and set a deadline to file an amended proposed Plan. The issues to

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CONT... VEEJ Corp
be addressed are:

Chapter 11

(i) Background

Based solely on Debtor's bankruptcy schedules, Debtor appears solvent. Total assets are listed at \$1,036,013.07 and total claims at \$980,585.66. But, as set forth below, that appears to be inaccurate.

As for assets, Debtor's bankruptcy Schedule A/B lists \$934,283.07 in accounts receivable, with no deduction for doubtful or uncollectible accounts, despite the fact that those accounts are listed as being over 90 days old. Debtor's only other listed assets are \$1,730.00 in the bank and a claim against Lessor estimated at \$100,000.00.

As for liabilities, Debtor apparently has two secured claims aggregating just under \$90,000 or just under \$140,000 - it is unclear which. See Plan (dkt. 68), p. 16 (\$79,404.04 + \$9,625.68 = \$89,029.72 secured claims) *and compare id.* at p. 31:12 (\$139,039 secured claims). Bankruptcy Schedule E/F lists \$934,073.07 in unsecured claims, and the Plan lists \$1,068,892.00. The principal unsecured claims listed on Schedule E/F include over \$500,000.00 in unpaid shipping charges and, in line 3.3, Lessor's claim at \$398,686.20 (purportedly without offset, although that appears to be inconsistent with the alleged \$100,000.00 claim against Lessor and the Plan lists Lessor's claim at \$541,474.20, which is disputed by Debtor).

As this Court understands Debtor's background, its business previously included storage at the Premises of tens of thousands of original motion picture "films in the can," weighing approximately 50 pounds each, which major film studios entrusted to Debtor. The Premises allegedly have unique and special qualities for that purpose. There is no explanation whether Debtor is still engaged in other lines of business, or the possible value of any such ongoing businesses, by the Plan implies that there is no such value, and the Plan proposes to liquidate Debtor.

Debtor's bankruptcy Schedule G lists no executory contracts for storage of the films, so apparently Debtor has spun off that business. In 2019 Debtor formed HFC Media Services Corporation ("Affiliate"), which promised to take over all obligations under the lease of the Premises including back rent (for an estimated total obligation of \$935,283.07) in exchange for a license to use the Premises, the right to Debtor's security deposit of \$395,855.80, \$70,000 in cash, and, apparently, approximately \$395,885.80 of accounts receivable transferred to it by Debtor. Under Affiliate's Agreement

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Chapter 11

with Debtor, if rights to the Premises are terminated or lost then Affiliate is obligated to pay Debtor \$400,000.00.

In actuality, despite the alleged value of Debtor's accounts receivable as stated in Schedule A/B, Debtor's Plan appears to treat those accounts as having no value in excess of the liens against them, and Debtor's Plan states that its primary asset is the license Agreement with Affiliate, pursuant to which Affiliate has already paid \$150,771.98 to Lessor on Debtor's behalf (not including rent payments). That appears to be deducted from the presumptive \$400,000.00 that will be owed to Debtor by Affiliate.

Debtor calculates that this leaves a balance owed by Affiliate, once the lease is terminated, of \$249,228.05, less any payments that Affiliate pays to Lessor on Debtor's behalf through the Effective Date. Debtor's Plan proposes that Affiliate will pay Debtor that balance in 36 monthly installments commencing on the first month following the Effective Date.

Those payments will be used to fund an estimated \$50,000.00 in administrative expenses, payment of the secured claims with no interest, and then a *pro rata* distribution to nonpriority unsecured claims. Debtor's liquidation analysis and projection of distributions under the Plan states: "[a]ssuming a liquidation value of \$250,000 ... Class 3 [unsecured] claims should expect to receive approximately ... 10% of the allowed amount of their respective claims" under the Plan and approximately 3% in a hypothetical chapter 7 liquidation. Plan (dkt. 68), p. 31:10-16.

Some of the forgoing information is not in the Plan. It is derived from other filed documents. See *generally* Stat.Rpt. (dkt.20) at PDF p.13:1-14; Bankruptcy Schedules (dkt. 19) (*passim*) and Statement Of Financial Affairs ("SOFA") (dkt. 19), p.3, line 13.1 (PDF p.18). See *also* Plan (dkt. 68), Part IV.A. (history of Debtor), pp. 8:5-9:5 & 10:19-28; *and* Agreement between Debtor and Affiliate (Ex.1 to Plan, dkt. 68, at PDF pp. 43-46).

Debtor and Lessor have been attempting to settle their claims, but without success so far. Affiliate apparently has been paying Debtor's monthly postpetition leasehold obligations, which have been set off against the anticipated \$400,000.00 obligation of Affiliate to Debtor. Debtor's proposed Plan includes the following provision:

V. Retention of Premises to Accommodate Orderly Relocation of Films.

[Affiliate] shall retain its rights to occupy the [Premises] for a period of six-months after the Effective Date to accommodate the

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relocation of third-party films that are located at the premises and shall pay [Lessor] the amount of \$26,050.00 on the 21st day of each month during this period. [Plan (dkt.68), p.29:12-17]

Based on the foregoing background, and this Court's review of the Plan and other filed documents, Debtor is directed to address the following issues at the hearing, and Lessor or other parties in interest are invited to do the same.

(ii) Lease of Premises

The Plan does not specify the legal basis for the above-quoted provision regarding post-confirmation occupancy of the Premises. Is Debtor proposing a deferred rejection of the lease under 11 U.S.C. 365? This might be a confirmation issue; but before the expense and possible confusion of mailing out a proposed Plan to all creditors, it makes sense to address whether there are any "gating" issues.

(iii) Notice to film owners?

This Court recognizes that the major film studios that own the films located at the Premises might not qualify as creditors of Debtor (although, without knowing the parties' contractual arrangements that is unclear). But the tentative ruling is that Debtor must provide them with notice of the confirmation hearing so that they have an opportunity to be heard if they believe that they are creditors or other parties in interest whose rights might be affected by the Plan.

(iv) Cost of moving film cans?

The Plan does not appear to address the costs of moving the film canisters. See Plan (dkt. 68), p. 31:10-16. Will that be borne entirely by Affiliate?

(v) Other

The foregoing "background" section includes some issues that are not addressed in Debtor's summary of its business, liquidation analysis, and projections. For example, (w) who owes Debtor the dollar amounts included in Debtor's accounts receivable, and what are the chances of collection; (x) what is the actual dollar amount of secured claims; (y) what happened to Debtor's other lines of business, and what are the potential revenues and

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values of those businesses (if any); and (z) what are the details of any transaction in which Debtor spun off its film storage business to Affiliate (*i.e.*, how does Debtor analyze that transaction from the perspective of a potential claim for voidable transfer)? The tentative ruling is that the proposed Plan must be amended to address those things.

In addition, Debtor is cautioned that various Plan provisions might exceed this Court's authority, or might not be approved for other reasons, even in the absence of any objection by parties in interest. For example, this Court anticipates reviewing carefully the Plan's proposed exculpation, retention of claims against creditors that are not specifically described, and prohibition on new or amended claims by creditors, etc. See Plan (dkt. 68), pp.20:24-22:6, 26:8-14, 27:14-28, 28:13-20.

(vi) Conclusion as to Plan

The tentative ruling is to set a **deadline of 4/20/21** for Debtor to file an amended proposed Plan (but NOT serve it on anyone except Lessor and the UST).

(2) Deadlines/dates. This case was filed on 12/13/20. Debtor elected to proceed under Subchapter V.

- (a) Bar date: 2/22/21 per General Order 20-01 (70 days after petition date in Subchapter V cases) (DO NOT SERVE any notice: one has already been sent, see dkt.23).
- (b) Procedures order: dkt. 3 (timely served, dkt. 6).
- (c) Plan (dkt. 68): see above.
- (d) Continued status conference: 5/4/21 at 1:00 p.m. No written status report is required.

*Warning: special procedures apply (see order setting initial status conference).

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov

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instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 3/23/21 (revised as noted below):
Appearances required.

(1) Current issues

(a) Motion of Moss Atkinson Family Trust ("Lessor") for Relief from Stay (dkt. 30), Debtor's Opposition (dkt. 45), Lessor's Reply (dkt. 50)

[Original tentative ruling:] The Court has continued the hearing on Lessor's motion from 1/26/21 to 2/9/21, 3/2/21 and now this current hearing, based on the stipulations filed by the parties. See dkts. 53, 57, 63. There is no tentative ruling, but the parties should be prepared to discuss the status of their negotiations regarding the premises at 24901 W. Avenue Stanford, in Valencia, California (the "Premises").

[Revised ruling:] This matter has been continued to 4/6/21 at 1:00 p.m. by further stipulation of the parties and this Court's order thereon. See dkt. 69, 71.

(b) Debtors' proposed Plan (dkt. 68)

The tentative ruling is to address the following issues with Debtor's counsel and set a deadline to file an amended proposed Plan. The issues to be addressed are:

(i) Background

Based solely on Debtor's bankruptcy schedules, Debtor appears solvent. Total assets are listed at \$1,036,013.07 and total claims at \$980,585.66. But, as set forth below, that appears to be inaccurate.

As for assets, Debtor's bankruptcy Schedule A/B lists \$934,283.07 in accounts receivable, with no deduction for doubtful or uncollectible accounts, despite the fact that those accounts are listed as being over 90 days old. Debtor's only other listed assets are \$1,730.00 in the bank and a claim against Lessor estimated at \$100,000.00.

As for liabilities, Debtor apparently has two secured claims aggregating just under \$90,000 or just under \$140,000 - it is unclear which. See Plan (dkt. 68), p. 16 (\$79,404.04 + \$9,625.68 = \$89,029.72 secured claims) *and*

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compare id. at p. 31:12 (\$139,039 secured claims). Bankruptcy Schedule E/F lists \$934,073.07 in unsecured claims, and the Plan lists \$1,068,892.00. The principal unsecured claims listed on Schedule E/F include over \$500,000.00 in unpaid shipping charges and, in line 3.3, Lessor's claim at \$398,686.20 (purportedly without offset, although that appears to be inconsistent with the alleged \$100,000.00 claim against Lessor and the Plan lists Lessor's claim at \$541,474.20, which is disputed by Debtor).

As this Court understands Debtor's background, its business previously included storage at the Premises of tens of thousands of original motion picture "films in the can," weighing approximately 50 pounds each, which major film studios entrusted to Debtor. The Premises allegedly have unique and special qualities for that purpose. There is no explanation whether Debtor is still engaged in other lines of business, or the possible value of any such ongoing businesses, by the Plan implies that there is no such value, and the Plan proposes to liquidate Debtor.

Debtor's bankruptcy Schedule G lists no executory contracts for storage of the films, so apparently Debtor has spun off that business. In 2019 Debtor formed HFC Media Services Corporation ("Affiliate"), which promised to take over all obligations under the lease of the Premises including back rent (for an estimated total obligation of \$935,283.07) in exchange for a license to use the Premises, the right to Debtor's security deposit of \$395,855.80, \$70,000 in cash, and, apparently, approximately \$395,885.80 of accounts receivable transferred to it by Debtor. Under Affiliate's Agreement with Debtor, if rights to the Premises are terminated or lost then Affiliate is obligated to pay Debtor \$400,000.00.

In actuality, despite the alleged value of Debtor's accounts receivable as stated in Schedule A/B, Debtor's Plan appears to treat those accounts as having no value in excess of the liens against them, and Debtor's Plan states that its primary asset is the license Agreement with Affiliate, pursuant to which Affiliate has already paid \$150,771.98 to Lessor on Debtor's behalf (not including rent payments). That appears to be deducted from the presumptive \$400,000.00 that will be owed to Debtor by Affiliate.

Debtor calculates that this leaves a balance owed by Affiliate, once the lease is terminated, of \$249,228.05, less any payments that Affiliate pays to Lessor on Debtor's behalf through the Effective Date. Debtor's Plan proposes that Affiliate will pay Debtor that balance in 36 monthly installments commencing on the first month following the Effective Date.

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Those payments will be used to fund an estimated \$50,000.00 in administrative expenses, payment of the secured claims with no interest, and then a pro rata distribution to nonpriority unsecured claims. Debtor's liquidation analysis and projection of distributions under the Plan states: "[a]ssuming a liquidation value of \$250,000 ... Class 3 [unsecured] claims should expect to receive approximately ... 10% of the allowed amount of their respective claims" under the Plan and approximately 3% in a hypothetical chapter 7 liquidation. Plan (dkt. 68), p. 31:10-16.

Some of the forgoing information is not in the Plan. It is derived from other filed documents. See *generally* Stat.Rpt. (dkt.20) at PDF p.13:1-14; Bankruptcy Schedules (dkt. 19) (*passim*) and Statement Of Financial Affairs ("SOFA") (dkt. 19), p.3, line 13.1 (PDF p.18). See *also* Plan (dkt. 68), Part IV.A. (history of Debtor), pp. 8:5-9:5 & 10:19-28; *and* Agreement between Debtor and Affiliate (Ex.1 to Plan, dkt. 68, at PDF pp. 43-46).

Debtor and Lessor have been attempting to settle their claims, but without success so far. Affiliate apparently has been paying Debtor's monthly postpetition leasehold obligations, which have been set off against the anticipated \$400,000.00 obligation of Affiliate to Debtor. Debtor's proposed Plan includes the following provision:

V. Retention of Premises to Accommodate Orderly Relocation of Films.

[Affiliate] shall retain its rights to occupy the [Premises] for a period of six-months after the Effective Date to accommodate the relocation of third-party films that are located at the premises and shall pay [Lessor] the amount of \$26,050.00 on the 21st day of each month during this period. [Plan (dkt.68), p.29:12-17]

Based on the foregoing background, and this Court's review of the Plan and other filed documents, Debtor is directed to address the following issues at the hearing, and Lessor or other parties in interest are invited to do the same.

(ii) Lease of Premises

The Plan does not specify the legal basis for the above-quoted provision regarding post-confirmation occupancy of the Premises. Is Debtor proposing a deferred rejection of the lease under 11 U.S.C. 365? This might be a confirmation issue; but before the expense and possible confusion of mailing out a proposed Plan to all creditors, it makes sense to address

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whether there are any "gating" issues.

(iii) Notice to film owners?

This Court recognizes that the major film studios that own the films located at the Premises might not qualify as creditors of Debtor (although, without knowing the parties' contractual arrangements that is unclear). But the tentative ruling is that Debtor must provide them with notice of the confirmation hearing so that they have an opportunity to be heard if they believe that they are creditors or other parties in interest whose rights might be affected by the Plan.

(iv) Cost of moving film cans?

The Plan does not appear to address the costs of moving the film cannisters. See Plan (dkt. 68), p. 31:10-16. Will that be borne entirely by Affiliate?

(v) Other

The foregoing "background" section includes some issues that are not addressed in Debtor's summary of its business, liquidation analysis, and projections. For example, (w) who owes Debtor the dollar amounts included in Debtor's accounts receivable, and what are the chances of collection; (x) what is the actual dollar amount of secured claims; (y) what happened to Debtor's other lines of business, and what are the potential revenues and values of those businesses (if any); and (z) what are the details of any transaction in which Debtor spun off its film storage business to Affiliate (*i.e.*, how does Debtor analyze that transaction from the perspective of a potential claim for voidable transfer)? The tentative ruling is that the proposed Plan must be amended to address those things.

In addition, Debtor is cautioned that various Plan provisions might exceed this Court's authority, or might not be approved for other reasons, even in the absence of any objection by parties in interest. For example, this Court anticipates reviewing carefully the Plan's proposed exculpation, retention of claims against creditors that are not specifically described, and prohibition on new or amended claims by creditors, etc. See Plan (dkt. 68), pp.20:24-22:6, 26:8-14, 27:14-28, 28:13-20.

(vi) Conclusion as to Plan

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[Original tentative ruling:] The tentative ruling is to set a **deadline of 4/14/21** for Debtor to file an amended proposed Plan (but NOT serve it on anyone except Lessor and the UST).

[Revised tentative ruling:] The tentative ruling is to address these issues at the continued status conference (see below).

(2) Deadlines/dates. This case was filed on 12/13/20. Debtor elected to proceed under Subchapter V.

- (a) Bar date: 2/22/21 per General Order 20-01 (70 days after petition date in Subchapter V cases) (DO NOT SERVE any notice: one has already been sent, see dkt.23).
- (b) Procedures order: dkt. 3 (timely served, dkt. 6).
- (c) Plan (dkt. 68): see above.
- (d) Continued status conference: **[Original tentative ruling:]** 4/27/21 at 1:00 p.m., **[Revised tentative ruling:]** 4/6/21 at 1:00 p.m., concurrent with the continued hearing on the Lessor's motion for relief from the automatic stay. No written status report is required.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

[PRIOR TENTATIVE RULINGS OMITTED]

Party Information

Debtor(s):

VEEJ Corp

Represented By

**United States Bankruptcy Court
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CONT...

VEEJ Corp

Jeffrey S Shinbrot

Chapter 11

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Central District of California
Los Angeles
Judge Neil Bason, Presiding
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Tuesday, May 4, 2021

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1:00 PM

2:20-14175 Tea Station Investment Inc.

Chapter 11

#9.00 Cont'd hrg re: Claimant Baodi Zhou's Motion to Compel Depositions
in a Contested Matter and Bankruptcy Rule 2004 Examination,
and Production of Documents]
fr. 04/27/21

Docket 196

Tentative Ruling:

Please see the tentative ruling for the status conference (Calendar No. 11,
5/4/21 at 1:00 p.m.).

Party Information

Debtor(s):

Tea Station Investment Inc.

Represented By
Leslie A Cohen

Trustee(s):

John-Patrick McGinnis Fritz (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
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Courtroom 1545 Calendar**

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2:20-14175 Tea Station Investment Inc.

Chapter 11

#10.00 Cont'd hrg re: Debtor's Motion Objecting to Proof of Claims of
Baodi Zhou, or in the Alternative, Motion to Estimate Claims
fr. 04/27/21

Docket 184

Tentative Ruling:

Please see the tentative ruling for the status conference (Calendar No. 11,
5/4/21 at 1:00 p.m.).

Party Information

Debtor(s):

Tea Station Investment Inc.

Represented By
Leslie A Cohen

Movant(s):

Tea Station Investment Inc.

Represented By
Leslie A Cohen
Leslie A Cohen

Trustee(s):

John-Patrick McGinnis Fritz (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
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2:20-14175 Tea Station Investment Inc.

Chapter 11

#11.00 Cont'd Status Conference re: Chapter 11 Case
fr. 7/28/20, 9/1/20, 9/15/20, 9/29/20, 12/22/20,
1/26/21, 3/9/21, 4/6/21, 04/27/21

Docket 15

Tentative Ruling:

Tentative Ruling for 5/4/21:

Appearances required.

(1) Current issues

(a) Summary

The biggest issue in these jointly administered cases appears to be how to address the claims of Ms. Zhou against each Debtor, on behalf of herself and other former employees. There is a risk that expenses of litigation could consume a substantial portion of any potential distribution to creditors. That threat to distributions includes Ms. Zhou herself, anyone she might represent, and other claimants - whose interests must be protected.

Debtors have objected to allowance of Ms. Zhou's claims. The tentative ruling is that:

(i) Ms. Zhou cannot represent any former employees who might have priority claims, because there is an inherent conflict of interest between those priority claims and her own nonpriority claims;

(ii) It is possible that Ms. Zhou's claims might have legal and factual issues in common with some other employees' nonpriority claims, and might be typical of such claims, but Debtor is correct that estimation of any such claims is required, because liquidating such claims would unduly delay and adversely affect the administration of this bankruptcy case, and prejudice other creditors. Therefore, streamlined procedures are appropriate, and it is appropriate to limit discovery at this stage to address (x) claims against the one Debtor that directly managed the location at which Ms. Zhou worked (not potential claims against all Debtors, or against any third parties such as Debtors' principals) and (y) claims that are not barred by the three year statute of limitations.

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(b) Background

This Court previously denied Ms. Zhou's motion for relief from the automatic stay (11 U.S.C. 362(a)) to resume her litigation in State Court against Debtors. This Court did so without prejudice to Ms. Zhou renewing that motion in future if Debtors fail to make sufficient progress in these bankruptcy cases, or for other cause (and this Court terminated any stay that might apply to nondebtors). See Order (dkt.177).

In making these rulings, this Bankruptcy Court was keenly aware that the State Court discovery proceedings were under way and that the State Court might have considerable expertise in labor and employment matters. See Motion to Dismiss/for Relief From Stay (dkt.49), p.16:10-12 ("The matter has been assigned to the Hon. Yvette Palazuelos. According to Westlaw, the Hon. Palazuelos has heard over 400 labor & employment cases, and those cases constitute the plurality of her docket") (citation omitted). This Bankruptcy Court has also wished to accord comity to State Courts and their proceedings.

Nevertheless, this Bankruptcy Court has been mindful that Congress provided for the automatic stay largely to protect the bankruptcy estate from depletion. This Court's principal concern was that the cost and delay of "scorched earth" litigation (which might be appropriate outside of a bankruptcy case) has the potential to cause undue harm to third party creditors when, as in these bankruptcy cases, there appear to be very limited assets available.

Put differently, in bankruptcy cases there is generally a limited "pie" to be divided among creditors, and although the Bankruptcy Code provides some tools to attempt to grow the "pie," in general one creditor's gain is other creditors' loss. In addition, if the costs and delays of litigation are too great, there is a substantial risk that an attempted reorganization will turn into a liquidation, thereby further harming all creditors.

Debtor's proposed Plan (dkt.137) provides that Ms. Zhou's priority claim (for herself and others) will be paid either \$0 or, if allowed, paid in full on the later of the Effective Date or when the claim is allowed by a final non-appealable order. See Plan (dkt.137), section 4.01 (at PDF p.6). The Plan proposes that nonpriority claims will receive a pro-rata share of \$150,000, resulting in an estimated dividend between 1.63% and 6.99% depending on the outcome of Debtor's objection to the nonpriority portion of Ms. Zhou's \$7 million claim. *Id.*, section 4.02. That is already a small dividend, without

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being further eroded and delayed.

True, it is conceivable that someone else would be willing to pay more for Debtors' assets, or perhaps someone could object to other claims, and those things might increase the possible dividends. But to date nobody has filed any papers to pursue such alternatives, and on the present record this Bankruptcy Court's concerns about cost and delay loom large.

(c) Debtor's Motion Objecting to Proof of Claims of Baodi Zhou, or in the Alternative, Motion to Estimate Claims (the "Claim Objection," dkt. 184); and Claimant Baodi Zhou's Motion to Compel Depositions in a Contested Matter and a Bankruptcy Rule 2004 Examination, and Production of Documents (the "Motion to Compel," dkt. 196), Debtors' Response (dkt.203), Ms. Zhou's Reply (dkt.210)

Ms. Zhou has filed claims as a purported representative of other claimants based on unpaid overtime and other wage claims, under Rule 23 (Fed. R. Civ. P.). Debtor objects that Rule 23 does not automatically apply because (w) there is no pending adversary proceeding and (x) Rule 23 is not among the rules that *automatically* apply to contested matters.

Debtor acknowledges that this Court "may at any stage in a particular matter direct" that Rule 23 apply (per Rules 7023 and 9014(c), Fed. R. Bankr. P.). But Debtor notes that this Court must consider (y) the usual requirements under Rule 23 of numerosity, commonality, and typicality, and also (z) special bankruptcy considerations. *See generally In re In re Musicland Holding Corp.*, 362 B.R. 644, 654-58 (Bankr. SD NY 2007) (discussion of "Bankruptcy Considerations"). Ms. Zhou has not cited any contrary authority.

(i) Priority claims cannot be asserted by Ms. Zhou

The tentative ruling is to sustain Debtor's objection to Ms. Zhou purporting to represent any priority claimants under 11 U.S.C. 507(a)(4) and (5) ("Employee Priority Claims"). As a matter of bankruptcy law, there is an inherent conflict between the holders of Employee Priority Claims and the holders of non-priority claims, such as Ms. Zhou.

The conflict is presented because Employee Priority Claims must arise within 180 days before the petition date. 11 U.S.C. 507(a)(4) and (5). But Ms. Zhou has not been employed by any of Debtors for several years, so she has only a general unsecured claim.

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That makes all the difference in the world because, under 11 U.S.C. 1129(a)(9)(B), Employee Priority Claims are entitled to "cash on the effective date of the plan equal to the allowed amount of such claim" (or, if the class consents, payments over time with interest). The more Debtors have to pay to those claims, the less they can pay to nonpriority unsecured creditors such as Ms. Zhou. So if Ms. Zhou were to represent priority claimants she would have an incentive to minimize their priority claims - a direct conflict of interest.

The tentative ruling is that this conflict of interest precludes any finding of commonality or typicality under Rule 23 (assuming for purposes of discussion that Rule 23 would be applied). In addition, the tentative ruling is that as a matter of bankruptcy law any certification of Ms. Zhou to represent priority claims would "adversely affect the administration of the case" by effectively interfering with any ability to reach a consensual or litigated allocation of distributions between priority and nonpriority unsecured claims. *Musicland*, 362 B.R. 644, 654 (citations omitted). See *also* Claim Obj. (dkt.184), pp.24:16-26:12.

Moreover, Ms. Zhou's claims, which are approximately five years old, appear to lack commonality or typicality when compared to claims within 180 days prepetition, which were during the period when Debtors closed their stores permanently, in or about March of 2020, due to the COVID-19 pandemic. See Claim Obj. (dkt.184), p.11:15-18) and Huang Decl. (dkt.186), para.12. For example, any employees who worked for Debtors shortly before their petition dates might or might not have claims under federal or State "WARN" Acts, and Ms. Zhou would have an inherent conflict of interest in assessing whether any such claims existed, because any such claims would reduce the payment of her own (nonpriority) claims. In addition, even before the stores were closed, the working hours and conditions in February and March of 2020 likely varied from what was typical prior to the pandemic.

These are additional reasons why Ms. Zhou does not appear to be a proper representative for employees who worked for Debtors shortly before their petition dates. Again, her claims appear to lack commonality or typicality, and it appears that any certification of Ms. Zhou to represent priority claims would "adversely affect the administration of the case." *Musicland*, 362 B.R. 644, 654 (citations omitted).

(ii) The theoretical possibility of claimants who have priority claims, but did not have notice of these bankruptcy cases in time to file proofs

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of claim, does not change the foregoing tentative ruling

This Court recognizes that, if Ms. Zhou cannot represent any priority claimants, there might be no distribution to any such claimants who might exist but who, for whatever reason, did not file their own proofs of claim. But for two reasons the tentative ruling is that this does not change the outcome.

First, any harm to such hypothetical priority claimants does not alter the tentative ruling that Ms. Zhou has an irreconcilable conflict of interest so she cannot represent any such claimants. Second, to the extent if any that equitable considerations apply, there does not appear to be any undue prejudice to Debtors' former employees who might have priority claims but did not file proofs of claim.

Debtors assert that, when they closed their stores and terminated all employees in March of 2020, all employees "were paid in full any amounts owed [*i.e.*, any amounts that Debtors asserted were owed] upon termination," and "were notified that a bankruptcy had been filed." Huang Decl. (dkt.186), p.4:4-6. In addition, Debtors assert that "there were multiple articles published in popular news media sources in the Chinese community (the Debtors' main demographic base of consumers and employees) and elsewhere of the bankruptcy filings. https://en.thechihuo.com/articles/ch_20200603_01." *Id.*, p.4:7-11.

Those direct and general notices provide some assurances of a fair process. In addition, such notices and the procedures for filing claims in bankruptcy should not be lightly cast aside in favor of Rule 23 procedures. *See generally Musicland*, 362 B.R. 644, 654 ("The most propitious time for filing a motion for class recognition is before a bar date is established, since the bar date is effectively uprooted in part by an extension of the bar date for a favored class of creditors.") (citation and internal quotation marks omitted).

True, it is conceivable that, despite all such payments and notices, an employee who ceased to work for one of Debtors in, say, November of 2019 might be unaware of these bankruptcy cases and might assert a claim for unpaid wages, unpaid overtime, lack of breaks, etc. But it has been a year and a half since then, and it is unlikely that a former employee who sought to assert any such claims would not have contacted Debtor(s). At that point such Debtor(s) would have given that former employee notice of the bankruptcy case (or risk liability for failing to provide any such notification).

More generally, in every bankruptcy case there is the possibility of unknown claimants who were not on notice of the bankruptcy case, but there

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is a limit to how much notice any debtor must provide to every conceivable claimant. For example, every customer of a grocery store is a potential slip-and-fall claimant, but this Court is not aware of any requirement to mail notices to every customer of the grocery store's bankruptcy filing and bar date.

In sum, the tentative ruling is that Debtors were not required to provide more notice than they already provided of their bankruptcy petitions or their claims bar dates. In addition, the tentative ruling is that this Court will not *sua sponte* establish any exception to the bar date, or any procedures for supplemental notices to every person who worked for Debtors within 180 days before their bankruptcy petitions and who, for whatever reason, did not file proofs of claim.

(iii) Ms. Zhou's nonpriority claims

The tentative ruling is that none of Debtors' objections to Ms. Zhou's nonpriority claims can be sustained at this time, without developing facts that appear to require more discovery (but streamlined discovery is appropriate, as discussed in the next section). True, Debtors' objections have some appeal; but without more discovery the tentative ruling is that they cannot be sustained.

Debtor objects that Ms. Zhou's claims lack commonality and typicality with other (nonpriority) claims because:

she was only employed at one store operated by TSI [(Tea Station Investment Inc.) - *i.e.*, she did not work at other TSI stores, nor did she work at stores operated by other Debtors. In addition, she] only worked in the kitchen staff at that one store until 2015. ... [E]ach store had its own supervisors and manager who set the staff schedule and directed employees. Moreover, each store had its own payroll, and the payroll management and processing changed to ADP after Zhou's employment terminated. [Claim Obj. (dkt.184), p.21:15-19 (citations omitted, emphasis added).]

* * *

Zhou's duties and hours as a kitchen staff member were completely different from the cashier staff and serving staff. Thus, Zhou's claims of not being allowed breaks or having to work overtime at her store because she was the sole cook in the kitchen were necessarily different from the experiences of the other employees,

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not only within her store, but from the other stores, as well. Thus, Zhou' Claims lack typicality. [Claim Obj. (dkt.184), p.22:1-5 (emphasis in original).]

Likewise, Ms. Zhou's attempt to assert any "common enterprise," alter ego, or similar theories might not be successful, based on Debtor's evidence and argument that:

Zhou was never employed by the other Debtors, and they are not her employer under the [applicable legal standards]. The other Debtors did not control Zhou's wages, hours and working conditions, nor did they "suffer or permit her to work." In fact, ... [all] of the other Debtors were independently owned and operated entity businesses, having their own corporate governance records, separate employees, store managers and supervisors, payroll records, and bank accounts. [Claim Obj. (dkt.184), p.15:23-28 (citation omitted)]

Likewise, there is some appeal to Debtors' argument that:

Debtors' use of common policies and procedures or forms does not mean that each entity is a joint employer or that it has control over the hiring, firing, supervision, discipline, and relevant day to day aspects of workplace behavior of the employees employed by the other businesses. ... Indeed, to hold otherwise would effectively make all clients of employment lawyers, CPAs, payroll processing and human resources companies effectively joint employers of one another simply because they may share the same policies, practices and procedures. [Claim Obj. (dkt.184), p.16:17-28 (citations omitted)]

But this Bankruptcy Court cannot tell from either the factual record before this Court or the parties' briefs whether discovery in the State Court had progressed to a point at which any of the foregoing arguments would be dispositive. For example, although Ms. Zhou does not know if her experience with "break times" is different from that of other employees (particularly outside of the kitchen where she worked), she might be able to establish with appropriate discovery that other employees did have similar break times. This Court does not know if she has been able to pursue such discovery. See, e.g., Ms. Zhou Deposition Tr. (undated), p.79:5-8 (Ex.B to T. Pham Decl., dkt.185, at PDF p. 75) ("Q[:] Do you know whether any of the employees at the Tea Station where you worked took at least two breaks a

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day?" A[:] I don't know.").

Therefore, it appears that more discovery may be appropriate. But the question is, what breadth and depth of discovery is appropriate?

(iv) Claim estimation

As noted at the start of this tentative ruling, this Bankruptcy Court is concerned that the cost and delay of "scorched earth" litigation would be unduly prejudicial to creditors (including Ms. Zhou). Part of the reason is that the claims that she purports to assert on behalf of other former employees are unliquidated, and any proceedings to determine how to liquidate all such claims appear likely to be extensive.

For example, this Bankruptcy Court takes judicial notice that the State Court's extensive rulings on some discovery disputes extended to 30 pages. See Grimes Decl. (dkt.196), Ex.A. This Court has carefully reviewed those rulings, and they reflect a substantial amount of litigation by all parties, consistent with this Court's concerns about "scorched earth" effects.

Debtor argues that "Zhou's Claims should be disallowed entirely, or in the alternative, the Court should estimate the Claims for only Zhou herself, or at most, the Court should estimate the claims for a limited class of employees of TSI only, if any, who have a commonality of claims with Zhou during the period of Zhou's employment." Claim Obj. (dkt.203), p.5:23-26 (emphasis added). These are all colorable alternatives.

This Bankruptcy Court "shall" estimate any contingent of unliquidated claims the fixing or liquidating of which would "unduly delay the administration of the case." 11 U.S.C. 502(c). The tentative ruling is that Ms. Zhou's claims - both on her own behalf and purportedly on behalf of other former employees - are unliquidated and must be estimated. "A claim is unliquidated when it is not subject to ready determination and precision in computation of the amount due." *In re Castellino Villas, A.K.F. LLC*, 836 F.3d 1028, 1033 (9th Cir. 2016) (citation and internal quotation marks omitted). Because the calculation of Ms. Zhou's claims relies upon several different unliquidated figures, including but not limited to the number of days worked by each employee, the number, length, and frequency of breaks taken by each employee (which may be very difficult to determine with accuracy), and the hourly pay rate for each employee, her claims and the potential claims of other former employees are "not subject to ready determination and precision."

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Alternatively, the tentative ruling is that permitting Ms. Zhou to act as a Rule 23 class representative for all other former employees who might be able to assert purportedly similar claims, without any limitations on discovery and other procedures, would "adversely affect the administration of this bankruptcy case" because of the resulting costs and delays in liquidating those claims, unless discovery and other procedures are streamlined. *Musicland*, 362 B.R. 644, 654 (citations omitted). Again, other creditors will be unduly harmed if such procedures are not adopted.

Under either of the foregoing alternative grounds, this Bankruptcy Court has discretion in determining the scope of discovery and other proceedings. See, e.g., *In re The Bible Speaks*, 65 B.R. 415, 427 (Bankr. D. Mass. 1986) (reviewing various discretionary aspects of claims estimation proceedings, including "limited discovery") (citations omitted). In addition, Debtor cites authority for limiting discovery in the labor and wage context. See Claim Obj. (dkt.203), *passim*.

The tentative ruling is to start with discovery only with respect to Ms. Zhou's own personal claims, and only with respect to the one Debtor that directly managed the location at which Ms. Zhou worked (as distinguished from potential claims against all Debtors, or against any third parties such as Debtors' principals). The parties are directed to address how much discovery on those issues has already occurred in the State Court proceedings.

Depending on the results of that discovery - if Ms. Zhou establishes grounds for her own claims - this Court anticipates that it might well be appropriate to expand discovery to encompass discovery on the above-quoted defenses raised by Debtor - e.g., whether Ms. Zhou in particular, or "kitchen staff" in general, had working conditions that lack typicality or commonality with other former employees. Any such discovery would also be subject to other limitations, such as applying to the time frame of the applicable statute of limitations. But any discovery beyond Ms. Zhou's own claims would be an issue for another day.

(v) Lack of propounded discovery

Debtors object that Ms. Zhou has not yet actually propounded any discovery requests, so her Motion to Compel is premature. Debtors also object that because their claim objections and any proceedings on Plan confirmation are contested matters, any discovery must be in accordance with Rule 7026 et seq., not Rule 2004 (Fed. R. Bankr. P.). The tentative ruling is

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that Debtor is correct.

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(d) Conclusion

The tentative ruling is to sustain in part, overrule in part, and continue Debtor's Claim Objection contemporaneous with the continued status conference (see below). The tentative ruling is also to deny as premature Ms. Zhou's Motion to Compel.

The parties are directed to address (i) whether discovery in the State Court proceedings has already covered the limited scope of initial discovery outlined above (limited to Ms. Zhou's own claims, and to the one Debtor that directly managed the location at which Ms. Zhou worked) and, if not, (ii) a schedule and procedures for conducting such discovery. The tentative ruling is to memorialize all of the foregoing in an interim order on the Claim Objection, and a final order on the Motion to Compel.

Proposed order: Debtor is directed to lodge proposed orders on both of the foregoing matters via LOU within 7 days after the hearing date, and attach a copy of this tentative ruling to the order on the Claim Objection, thereby incorporating it as this Court's final ruling, subject to any changes ordered at the hearing. See LBR 9021-1(b)(1)(B).

(2) Dates/procedures. This case was filed on 5/4/20 and converted from chapter 7 to chapter 11 on 7/1/20 (dkt.17). The petition was amended to elect Subchapter V on 7/14/20 (dkt.27). On 9/4/20 this Court ordered joint administration with affiliated debtors (dkt.64).

- (a) Bar date: (i) Investment 9/9/20 (dkt. 40; timely served, dkt. 43); Affiliated Debtors 11/10/20.
- (b) Procedures order: dkt.18 (timely served, dkt.20) (also timely served in each jointly administered case).
- (c) Plan (dkt. 137): hearing TBD.
- (d) Continued status conference: 6/1/21 at 1:00 p.m. No written status report required.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at

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www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Tea Station Investment Inc.

Represented By
Leslie A Cohen

Movant(s):

Tea Station Investment Inc.

Represented By
Leslie A Cohen
Leslie A Cohen

Trustee(s):

John-Patrick McGinnis Fritz (TR)

Pro Se

**United States Bankruptcy Court
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Hearing Room 1545

2:00 PM

2:19-23664 Liat Talasazan

Chapter 7

Adv#: 2:20-01027 Talasazan v. Oxygen Funding, Inc. et al

#1.00 Cont'd Status Conference re: Complaint for Damages, Declaratory Relief and Injunctive Relief for 1.) Violation of Automatic Stay; 2.) Turnover Under 11 U.S.C. Section 542; 3) Avoidance of Transfer Under 11 U.S.C. Section 544; 4) Avoidance of Fraudulent Transfer Under 11 U.S.C. Section 548; 5) Recovery and Preservation of Avoided Transfers Pursuant to 11 U.S.C. Sections 550(a), 551; 6) Unfair Practices under California Business & Professions Code Section 17200; and 7) Slander of Title
fr. 4/21/20, 9/15/20, 12/22/20, 2/9/21, 03/02/21

Docket 1

***** VACATED *** REASON: Continued to 5/11/21 at 11 a.m. so that it
can be heard with other related cases**

Tentative Ruling:

Party Information

Debtor(s):

Liat Talasazan

Represented By
Giovanni Orantes
Luis A Solorzano

Defendant(s):

Oxygen Funding, Inc.

Represented By
Vonn Christenson

Adam Landis Lomax

Represented By
Vonn Christenson

Plaintiff(s):

Liat Talasazan

Represented By
Luis A Solorzano
Giovanni Orantes

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Chapter 7

Trustee(s):

Caroline Renee Djang (TR)

Pro Se

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2:19-18316 Ashley Susan Aarons

Chapter 11

#2.00 Hrg re: First and Final Application for Approval
of Preconfirmation Fees and Reimbursement of
Expenses by Shulman Bastian Friedman & Bui LLP,
Attorneys for the Debtor and Debtor in Possession

Docket 411

Tentative Ruling:

Please see the tentative ruling for the post-confirmation status conference
(Calendar No. 4, 5/4/21 at 2:00 p.m.).

Party Information

Debtor(s):

Ashley Susan Aarons

Represented By
James C Bastian Jr
Rika Kido

Trustee(s):

John-Patrick McGinnis Fritz (TR)

Pro Se

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2:19-18316 Ashley Susan Aarons

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#3.00 Hrg re: Application for payment final fees and/or expenses
[The Law Offices of Totaro & Shanahan]

Docket 409

Tentative Ruling:

Please see the tentative ruling for the post-confirmation status conference
(Calendar No. 4, 5/4/21 at 2:00 p.m.).

Party Information

Debtor(s):

Ashley Susan Aarons

Represented By
James C Bastian Jr
Rika Kido

Trustee(s):

John-Patrick McGinnis Fritz (TR)

Pro Se

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2:19-18316 Ashley Susan Aarons

Chapter 11

#4.00 Cont'd Status Conference re: Post confirmation
fr. 8/20/19, 9/24/19, 10/4/19, 10/15/19, 10/29/19,
11/12/19, 12/10/19, 1/14/20, 03/31/20, 4/7/20,
4/21/20, 5/5/20, 6/16/20, 6/30/20, 8/4/20, 9/29/20,
10/14/20, 10/22/20, 11/12/20, 12/8/20, 12/22/20,
1/5/21, 1/26/21, 2/4/21, 2/11/21, 4/27/21

Docket 1

Tentative Ruling:

Tentative Ruling for 5/4/21:

Continue as set forth below. Appearances are not required on 5/4/21.

(1) Current issues

(a) Fee Application of Shulman Bastian Friedman & Bui LLP (dkt. 411, 417), no opposition on file

Allow Applicant's request for \$496,173.50 in fees and \$8,956.51 in costs, for a total award of \$505,130.01.

(b) Fee Application of The Law Offices of Totaro & Shanahan (dkt. 409, 410, 416), no opposition on file

Allow Applicant's request for \$95,990 in fees and \$0 in costs, for a total award of \$95,990, and approve on a final basis all previously awarded fees and costs.

Proposed orders: Applicants are directed to lodge separate proposed orders on each of the foregoing applications via LOU within 7 days after the hearing date. See LBR 9021-1(b)(1)(B).

(c) Disputes with Patch of Land

This Court has reviewed Debtor's post-confirmation report #1 (dkt. 418), which includes a description of some disputes with creditor Patch of Land. This Court is not aware of any motion or other basis for this Court to make any rulings at this time, so the tentative ruling is to take no action on such disputes (although, if the parties would like this Court to set a briefing

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 4, 2021

Hearing Room 1545

2:00 PM

CONT...

Ashley Susan Aarons

Chapter 11

schedule or address other procedural matters, they can arrange to appear at the hearing and raise such issues).

(2) Deadlines/dates

This case was filed on 7/17/19, and Debtor's plan was confirmed on 2/11/21 (dkt. 390). The tentative ruling is to set a further continued Post-Confirmation Status Conference for 8/17/21 at 1:00 p.m. *Brief* post-confirmation status report due 8/3/21.

If appearances are not required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

[PRIOR TENTATIVE RULINGS OMITTED]

Party Information

Debtor(s):

Ashley Susan Aarons

Represented By
James C Bastian Jr
Rika Kido

Trustee(s):

John-Patrick McGinnis Fritz (TR)

Pro Se